

# AGRICULTURAL OUTLOOK

April 1982

• Economic Research Service  
United States Department of Agriculture



# AGRICULTURAL OUTLOOK

April 1982/AO-75



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Contents of this report have been approved by the World Agricultural Outlook Board, and the summary was released March 31, 1982. Materials may be reprinted without permission. *Agricultural Outlook* is published monthly, except for the January/February combined issue. Price and Quantity Forecasts for crops are based on the March 11 World Agricultural Supply and Demand Estimates.

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The next issue of *Agricultural Outlook* (AO-76) is scheduled for release on May 17, 1982. If you do not receive AO-76 by May 28, call the Economics Staff or use the "Sound Off" sheet on inside back cover (be sure to enclose your mailing label).

# In Brief . . . News of Farm Income, Retail Food Prices, and the Asia Market

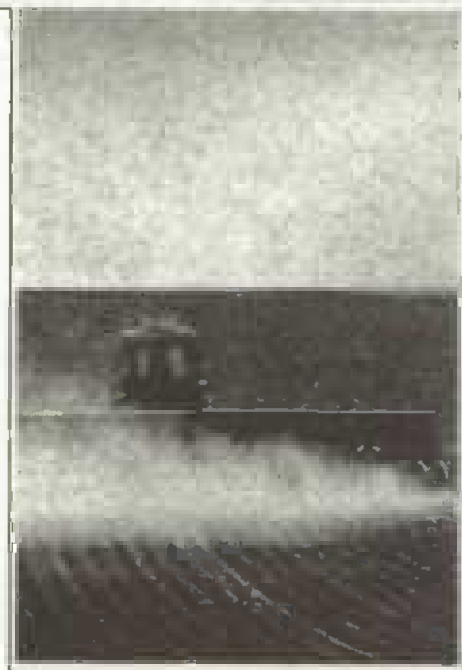
## Agricultural Economy

While last year's large crops continue to sell at low prices, attention is shifting to 1982 crops and hopes for improved economic conditions. This year's U.S. crop prospects are still very uncertain; favorable moisture conditions are setting the stage for large harvests, but final output could be curbed if enough farmers participate in the acreage-reduction programs or if the weather turns unfavorable. The strong dollar and slow foreign economic growth may continue to limit farm exports, but domestic demand is expected to pick up in the second half of the year.

U.S. livestock prospects depend heavily on the domestic economy. In response to poor returns, pork producers are cutting production sharply. Beef production in 1982 may be about even with 1981, while poultry output may rise only 1 percent. As a result, total meat and poultry production will likely drop about 4 percent this year. Although this drop would reduce per capita consumption about 5 percent, increases in retail and market prices of livestock and poultry will likely be moderate, unless economic recovery exceeds expectations.

## Farm Income Update

Farmers' net cash income will likely remain at a reduced level for the third consecutive year. With gains in cash receipts being drained away by increasing cash expenses in the last few years, farmers have had to adjust to declining net cash incomes. They have taken on more debt and delayed purchases of capital items. This slowdown has also hurt farm machinery dealers, manufacturers, and other input suppliers.



## World Agriculture and Trade

The current slowdown in world economic growth and last year's poor returns to livestock producers have depressed global meat production, use, and feed consumption. Beef and veal output in the major producing countries is forecast to change little in 1982, while pork production is projected to drop 2 percent. Poultry production, which rose an average 7 percent annually during 1977-81, is forecast to increase only 1 percent. Foreign feed use of coarse grains and wheat will likely rise less than 1 percent in 1981/82.

## General Economy

Higher-than-expected interest rates and weaker economic growth abroad have dampened the general economic outlook for the second half of 1982. High interest rates are impeding domestic demand—particularly for housing and durables—while the slower growth of foreign economies is lowering export demand. Recovery is still expected to be underway by the third quarter, however, spurred by the tax cut scheduled for July 1. The general economic outlook for 1983 remains cloudy because of uncertainty over the course global interest rates will follow during recovery.

## Food and Marketing

Retail food prices this year are expected to average 5 to 7 percent above last year, with the current assessment at 6 percent. This would be below the 1981 rise of 7.9 percent, continuing the slower increases that began after 1979. A 6-percent increase would also likely make 1982 the fourth consecutive year in which food prices have risen less than the general inflation rate.

## Inputs

Farmers can expect readily available supplies of all fuels at relatively stable prices in 1982. These conditions are linked to excess world oil production and high petroleum inventory levels due to the slowdown in worldwide economic activity and the continued improvement in energy conservation. Prices paid by farmers for gasoline, diesel fuel, and LP gas should remain stable or register only moderate increases in 1982, because of the downward pressure on world oil prices. However, natural gas and electricity prices paid by farmers will increase as much as 20 and 9 percent, respectively.

## Asia: Largest Market for U.S. Farm Products

In contrast to the chronic overall U.S. trade deficit with Asia, the U.S. agricultural trade balance has been consistently favorable. The outlook for fiscal 1982 is no exception, with more U.S. agricultural goods being shipped to Asia than to any other region. Asian countries are expected to purchase \$13.6 billion worth of U.S. farm products, or nearly a third of total U.S. shipments. Japan (\$6.0 billion), the People's Republic of China (PRC) (\$1.9 billion), South Korea (\$1.7 billion), and Taiwan (\$1.4 billion) will continue to be the main buyers in the region. However, except for Taiwan, sales to these markets will be below the fiscal 1981 records. Thus, with the major buyers setting the pace, the rapid influx of U.S. agricultural products into Asia is likely to slow.



## Agricultural Economy

As farmers prepare seedbeds and begin planting spring crops, concerns about general economic conditions are adding to their traditional concerns about weather during the growing season. This year, good moisture conditions in most areas are setting the stage for abundant 1982 harvests. Last year's huge crops are selling at low prices, but even so farm stocks will remain large. Costs have continued to rise, although at a slower rate, leaving farmers in a serious cost-price squeeze.

Crop producers may respond to this situation by participating in the 1982 acreage-reduction programs, and pork producers are making sharp cuts in production. Forecasts of general economic activity are somewhat brighter for the second half of the year, which should stimulate consumer demand for agricultural products, especially meats. Little change is anticipated in foreign demand for U.S. farm output, however, as economic activity remains sluggish worldwide.

Steps taken to slow inflation are substantially affecting farmers. The fight against inflation has produced high interest rates, which are slowing business activity, increasing farm expenses, and adding to the downward pressure on agricultural prices. As the cost of money has risen, users have trimmed inventories. With large crop supplies in the United States and with

ocean transport readily available, overseas users have cut operating costs by maintaining low inventories. Domestic consumers are placing orders only as needed, putting the burden of holding inventories on the farmer—the raw product producer. Commercial stocks, for example, are about normal, but farmers' stocks are record large in many instances.

The high U.S. interest rates have attracted foreign capital and increased the value of the dollar relative to other currencies. This has dampened export sales. Although late-winter spot prices for wheat were unchanged from a year ago, prices for feed grains, oilseeds, and cotton were 10 to 25 percent lower. The trade-weighted dollar exchange rates for these commodities are up 15 to 60 percent. Thus, prices in foreign currencies are up substantially, especially for wheat and corn. As a result, the volume of U.S. agricultural exports this year will rise only slightly, while the value—still estimated at \$42.5 billion—may decline somewhat.

Domestic demand for some farm products also has weakened. Low prices in the last 2 years prompted livestock and poultry producers to adjust production, with hog producers making the sharpest reductions. Pork producers recently indicated they would have 12 percent fewer sows farrow this spring and would continue to produce fewer pigs this summer. Hog slaughter is currently running 8 to 10 percent below a year ago.

Cattle feeding has lagged a year ago until recently, even though the supply of feeder cattle has been large and feed costs have been declining. Placements of cattle on feed picked up this past winter, but fed beef production will likely lag year-earlier levels until late summer. Broiler producers also suffered losses in the second half of last year. There has been some improvement recently; but, based on recent egg sets, broiler production will be about the same as or only slightly larger than a year earlier through the fall.

Total meat and poultry production may be off about 4 percent this year, with most of this due to the sharp cut in pork output. Per capita meat consumption will decline around 5 percent. Declining real incomes and high unemployment, together with record-large meat supplies, limited price increases in livestock and meat in 1981.

As the economy picks up in the second half of 1982, prices likely will strengthen; however, only moderate additional increases are anticipated.

Lower energy prices, moderating wage gains, and declining inflation have had some beneficial effects on farm income because production costs are increasing more slowly this year. But with farm prices declining, farm incomes will likely remain at a reduced level in 1982. [Don Seaborg (202) 447-8376]

## LIVESTOCK HIGHLIGHTS

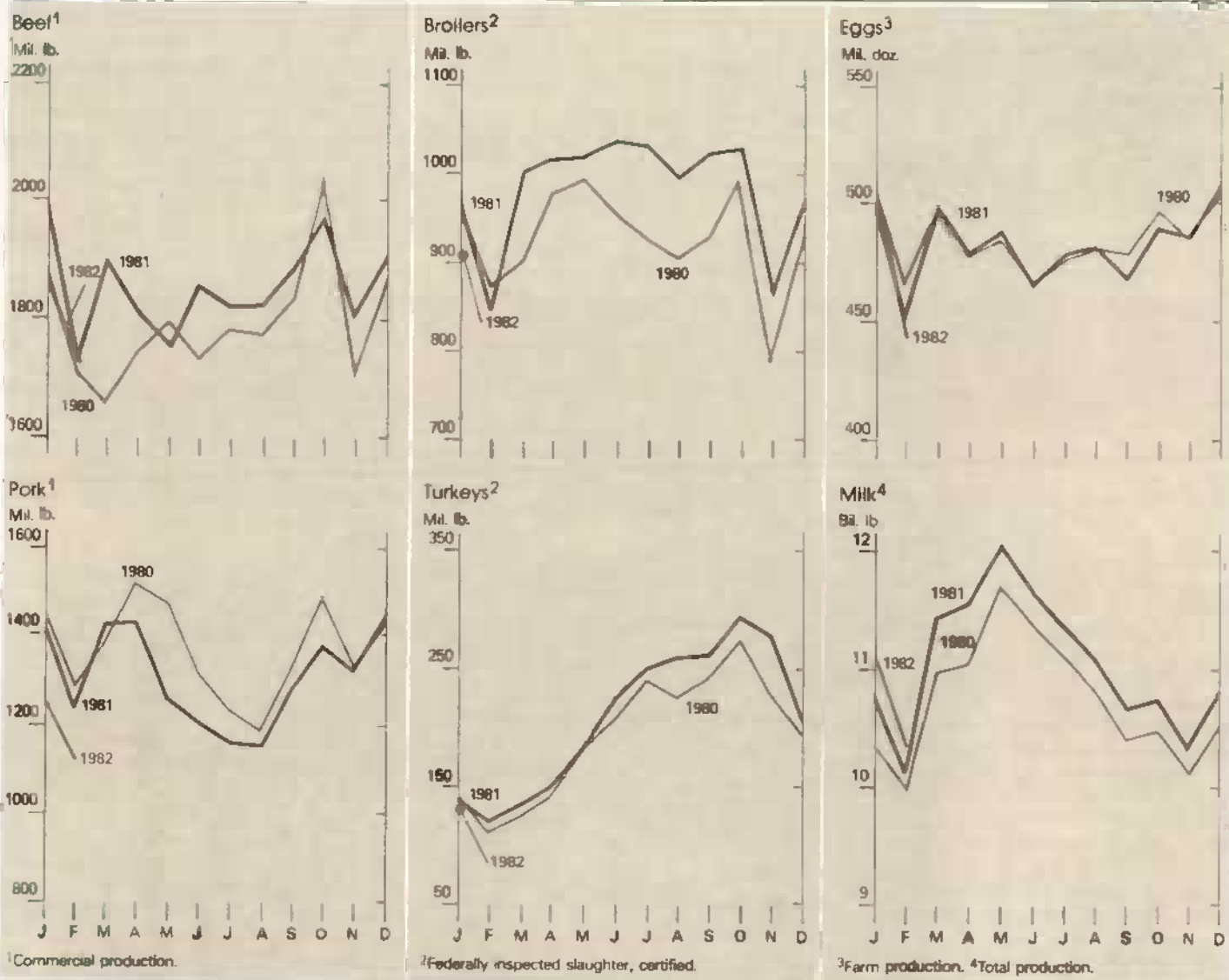
### Cattle

The number of cattle on feed in the seven major cattle feeding States on March 1 was 4 percent below last year and 8 percent below 1980. Marketings during February declined 2 percent, but placements of cattle on feed continued well above a year ago for the second consecutive month. Stronger cattle prices and lower feed costs have provided further incentives to increase placements, which likely rose again in March as the wheat grazing season ended in the Southern and Central Plains.

Smaller supplies of competing meats and reduced cattle slaughter weights have helped strengthen cattle prices, despite continued strained consumer budgets. Prices for Choice fed steers at Omaha exceeded the year-earlier level in February for the first time since last June. Prices this winter likely averaged slightly above \$63 per cwt, having increased from \$58 to \$66 during the quarter. Further reductions in supplies of competing meats and declining nonfed slaughter this spring should support prices in the \$67 to \$69 range. Evidence of a stronger economic recovery will be necessary to raise prices further, particularly as beef production begins to rise in mid-summer.

Prices for yearling feeder steers also have risen this winter, but they continue to average nearly \$10 per cwt below a year ago. Despite lower feeding costs and expectations for positive feeding margins, uncertainties about the economic outlook are keeping cattle feeders cautious in bidding for replacement cattle. [Ron Gustafson (202) 447-8636]





## Hogs

The March inventory of hogs and pigs in the 14 quarterly reporting States was down 10 percent from a year earlier. The market hog inventory declined 10 percent and the breeding herd 14 percent. Thus, the outlook is for substantial year-to-year declines in pork production for the rest of the year.

The December-February pig crop was down 11 percent; the number of sows farrowed declined 10 percent, and pigs saved per litter declined 2 percent. At 7.1, the average number of pigs saved was the lowest since 1979; the 10-year average is 7.2. This year's reduction resulted from extremely cold weather combined with disease problems. Although returns to producers improved substantially in the first quarter, producers intend to reduce farrowings during March-May by 14 percent.

The indicated reduction in 1982 hog output will exert upward pressure on hog prices. However, the relatively large supplies of competing meats—especially in the second half of the year—and a weaker than expected economic recovery may restrain this upward movement.

Commercial pork production in first-quarter 1982 likely dropped about 9 percent from a year earlier. Less pork, along with a small year-to-year change in competing meat supplies, have strengthened hog prices. Barrow and gilt prices at the seven markets surveyed averaged about \$48 per cwt in the first quarter.

In the second quarter, pork production is forecast 8 to 10 percent below a year ago. Lower stocks and reduced production, along with a small decrease in competing meat supplies, should support an average price of \$50 to \$52 per cwt during April-June. [Leland Southard (202) 447-8636]

## Dairy

Production this winter has continued above year-earlier levels, with February marking the 34th consecutive month of a year-over-year increase. Production will likely continue to expand during the rest of 1982, and total output may be up 1.5 to 3.5 percent from 1981's record 132.6 billion pounds.

The larger output, along with little change in support prices, will likely hold farm and wholesale prices near year-earlier levels. Retail prices may increase 2 to 4 percent—the result of higher marketing costs. Commercial disappearance may rise 1 to 2 percent. However, with production likely to exceed disappearance, USDA purchases for the current marketing year may exceed last year's 12.7 billion pounds (milk equivalent).

The national average farm price for all milk was \$14 per cwt in December, 10 cents below a year earlier. January and February prices were also down from a year earlier. In 1982, the average price for all milk will likely be little changed from 1981's \$13.75. First-half prices may average slightly below a year earlier, because heavy production is expected. However, second-half prices may be somewhat higher, with the third quarter of the marketing year about even with April-June 1981 and the fourth quarter up 1 to 2 percent. A 15-cent higher support price and some possible adjustment in production would bring this about. (Cliff Carman (202) 447-8636)

#### Broilers

Influenced by prices that continue below costs of production, some broiler producers are reducing hatchery flocks. Pullet-chick placements during February were 21 percent below year-earlier levels. These placements reflect producers' expected needs for hatching eggs approximately 7 months in the future. These low placements suggest that producers are very pessimistic about prospects for the second half of the year. However, production probably won't decline as much as current placements.

Although January production was down 5 percent from last year, broiler meat output in federally inspected plants is estimated to have risen in February from a year ago. With earlier chick placements slightly above year-ago levels, and more slaughter days in March, output in the first quarter is expected to be about 2 percent above last year.

Chick placements for second-quarter slaughter have been about 2 percent below a year earlier, and egg sets have also been down. Output during the second quarter is expected to be 1 percent below last year.

Broiler prices in the nine cities surveyed averaged 45 cents a pound in February, down from 50 cents last year. Broiler prices in the first quarter of 1982 will likely average 45 cents, down from 49 cents last year. Demand usually strengthens in the spring, so prices may average 45 to 47 cents in the second quarter, near last year's 47 cents. (Allen Baker (202) 447-8636)

#### Eggs

Egg production and hen numbers during January were 1 percent below a year earlier. Negative returns in much of 1981 caused producers to reduce replacements for the laying flock, so the number of layers will stay below year-earlier levels during the first half of 1982. Even with fewer replacements, egg production during the first half will likely decline only 1 percent from last year, because of force molting.

Prices for cartoned Grade A large eggs in New York averaged about 78 cents in February, up from 71 cents a year earlier. January exports of shell eggs and egg products (on a shell-equivalent basis) were up 19 percent from last year. Reduced production and the anticipation of continued strong exports are bolstering prices. Prices in the first quarter of 1982 likely averaged 78 cents a dozen, up from 73 cents last year. Prices this spring will likely decline seasonally after Easter and average 72 to 74 cents, up from 69 cents last year. (Allen Baker (202) 447-8636)

#### Turkeys

Negative returns have caused turkey producers to reduce the number of poults hatched since September 1981; the January number was down 14 percent from a year earlier. Heavy-breed poults (whose mature weight is greater than 12 pounds) were down 11 percent, and light breeds fell 55 percent. Turkey growers have indicated plans to produce 4 percent fewer turkeys in 1982.

Production in the first quarter is expected to be down about 1 percent. Based on poults hatched and expected heavier slaughter weights, output in the second quarter may be down about 2 percent from last year.

Large cold storage stocks of frozen turkeys, which were 14 percent above a year earlier on February 1, will continue to weaken turkey prices. Prices for 8- to 16-pound young hen turkeys in New York averaged 56 cents a pound in February, down from 61 cents last year. Exports of whole turkeys and turkey parts in January were 69 percent above a year earlier, probably because of low prices.

The weak economy and large supplies of frozen turkeys are expected to keep prices for young hen turkeys in New York near 56 cents a pound in the first quarter, down from 61 cents last year. Prices in the second quarter may strengthen slightly as production decreases, possibly averaging 56 to 58 cents a pound—still below last year's 61 cents. (Allen Baker (202) 447-8636)

### CROP HIGHLIGHTS

#### Wheat

Despite prospects for another record export season, wheat prices continue depressed because of large supplies. Current farm prices are more than 10 percent below a year ago. The average farm price for 1981/82 is forecast about 20 cents a bushel below last season's \$3.91.

Winter wheat producers are currently viewing good to excellent stands, with planted acreage generally equal to or exceeding established wheat acreage bases. This situation reduces the prospect for widespread participation in the 15-percent acreage-reduction program. However, further price deterioration would strengthen the incentive to participate. Favorable planting conditions for spring wheat make the program's \$3.55 a bushel loan and \$4.05 target price guarantee important to growers' participation decisions. Spring wheat growers will likely view the acreage-reduction program more favorably than winter wheat producers.

World wheat consumption in 1981/82 is forecast at 446 million tons. This will be the first time that consumption has dropped below production since 1978/79. World stocks may exceed last year but will be below most years in the 1970's. The stocks-to-use ratio is at 18 percent, slightly above the previous 2 years, but low by historical standards.

World wheat trade is expected to be a record 100 million tons in 1981/82 (July-June, excluding intra-EC trade), up 7 percent from last year. Total foreign export volume may decline slightly as reduced sales by Western Europe, Eastern Europe, and Argentina offset higher Canadian and Australian exports. U.S. wheat exports are forecast up 8 million tons from last year to 49 million, but down 1.3 million from last month's estimate. Major buyers of U.S. wheat are China and the USSR, which together should take slightly less than 30 percent of U.S. sales. The Soviets have already purchased almost all of the U.S. wheat they are expected to this year. China has shifted 200,000 tons for delivery into the 1982/83 marketing year, and additional rollovers might occur. No additional purchases by India are expected. [Allen Schienbein (202) 447-8776 and Brad Karmen (202) 447-9160]

### Rice

Despite a small increase in U.S. rice use projected for 1981/82, this season's record rice supply has caused prices to drop about 25 percent from a year ago. Rice stocks are expected to build to a record 51 million cwt by yearend. Because farm prices of rice may be near or slightly below the cost of CCC loan redemption in coming months, producers are likely to forfeit a large share of the 25 million cwt of outstanding CCC loans. A sizable Government takeover of rice stocks could boost short-term rice prices, but producers will likely receive around \$3 per cwt less for 1981/82 marketings than last year.

World production of milled rice is forecast at a record 275 million metric tons in 1981/82—up 3 percent from last year; foreign rice production is up 3 percent. The United States, Thailand, and several other major exporters had record crops. The major importers—Indonesia and South Korea—also had good crops. World consumption is expected to almost equal production, with stocks rising only marginally to 25 million tons—equal to 9 percent of use.

World rice trade is expected to fall to 12.1 million tons in calendar 1982, the lowest level since 1979. Most exporters will ship less in 1982 as import demand slackens. Because of export tax cuts and other policy measures, Thailand's exports may drop only marginally, possibly exceeding U.S. rice exports in 1982. South Korean demand is not expected to exceed the 500,000 tons they are committed to purchase from the United States. Demand for U.S. medium- and short-grain rice is low in export markets, but sales of U.S. long-grain rice to Nigeria, Italy, and Middle Eastern markets are doing well. [Allen Schienbein (202) 447-8444 and Eileen Manfredi (202) 447-7643]

### Oilseeds

With last year's large harvest, U.S. soybean supplies this season are the second largest on record. This large supply, combined with underlying weak demand throughout the soybean complex (particularly in domestic markets), has lowered real (deflated) prices to their lowest level in over a decade.

Demand for soybeans for domestic crush depends primarily on domestic demand for products, mainly meal, which is being tempered by the sluggish U.S. economy. As a result, product prices have dropped sharply, leaving crushing margins squeezed. Soybean crushings are currently forecast to increase only 4 percent this season to 1.06 billion bushels.

Through February 1982, soybean exports were running a little more than 30 percent above last year's level. For the season, exports are forecast to reach 850 million bushels, up from 724 million in 1980/81.

Even with the strong recovery in exports, total soybean disappearance this season may rise only 9 percent to 2 billion bushels, while supplies are up 9 percent. This supply/demand imbalance would result in a 350-million-bushel carryover, about equal to a 10-week supply at current rates of use. With abundant supplies relative to demand, the season-average farm price is projected at \$6.05 a bushel, down from \$7.57 for 1980/81.

Total 1981/82 world oilseed production is estimated at 172 million tons, 8 percent above last season. Brazil's soybean crop estimate has been reduced to 14.2 million tons because of dry weather, which has severely stressed portions of the crop in Rio Grande do Sul and Parana. Partially offsetting this decline, however, are increased estimates of Argentina's sunflower seed crop and Senegal's peanut crop. [Leslie Herren (202) 447-8776 and Jan Lipson (202) 447-9160]

### Coarse Grains

With the global economy continuing sluggish, the estimate of U.S. corn exports has been reduced again—by 50 million bushels. Total domestic use and exports of U.S. feed grains are now forecast at 218 million tons, only 1.9 million above the 1980/81 level and a half million below last month's forecast. As a result, ending stocks will likely reach 2.1 billion bushels (52.7 million metric tons), which will help hold prices between \$2.40 and \$2.55 a bushel—compared with \$3.11 a year ago.

Participation in the 1982 feed grain program may range from 35 to 45 percent for corn, 10 percentage points higher than that for sorghum and barley, and 10 percentage points lower for oats. Therefore, planted acreage for corn and sorghum could fall short of producers' February intentions (surveyed in the week the reduced-acreage programs were announced), while planted acreage for barley and oats may about match those intentions.

Record-large world supplies are facing sluggish demand, and a substantial stock buildup is likely—mostly in the United States. World trade is projected down 4 percent during July 1981-June 1982. Abundant exportable supplies are creating strong competition in world markets. The U.S. share of world trade may decline to 60 percent—its lowest level in 9 years. The Soviet Union's willingness to import large volumes of barley and sorghum has reduced U.S. corn exports, given slow demand. Canadian coarse grain exports are exceeding earlier forecasts, and prospects for Argentina's coarse grain crops have improved steadily, pointing to heavy Argentine shipments during spring and summer.



World import demand has weakened through the year, although total Soviet imports are expected to increase from 18 to 23 million tons (with about 22 million thought to have been purchased as of mid-March). Imports by all other countries may decline about 9 million tons—a tenth—from 1980/81. [Larry Van Meir (202) 447-8444 and Sally Byrne (202) 447-7643]

### Cotton

Large stocks, exacerbated by recession here and abroad, continue to dominate the cotton outlook. Total disappearance is now forecast at 12.2 million bales for 1981/82, 400,000 below last month's forecast. Thus, cotton use this season would be only slightly above last year—despite much larger supplies. At the end of January, cotton stocks at domestic mills were the lowest since records began in 1913. Stocks on August 1, 1982, are now projected at 6.3 million bales, which would be the largest carryover since 1969.

Spot-market cotton prices have now stabilized, partly because of the Commodity Credit Corporation's outstanding loans on over 5 million bales (nearly one-third of the 1981 crop).

In early February, farmers indicated intentions to plant 12.6 million acres of cotton this spring. However, farmer response to the 15-percent acreage-reduction program—announced while the intentions survey was taken—will likely change the final acreage figure.

World cotton production for 1981/82 is still forecast at 70.8 million bales. While lower output is being projected for a few nations, the estimate of China's crop has risen 200,000 bales because of higher yields. Global use in 1981/82 is estimated at 66.1 million bales—up slightly more than 1 percent from last season, but lower than last month's estimate because of weakened prospects for U.S. mill use. The current estimate of U.S. mill use is 5.9 million bales, 200,000 bales below last month.

Since last month, the U.S. export estimate for 1981/82 has been lowered 200,000 bales to 6.8 million, mainly because of a downward revision in China's total cotton imports. Recent large Chinese purchases from Pakistan have dimmed prospects for further significant U.S. sales to China this season. [Henry Foster (202) 447-8776 and David Young (202) 447-9160]

### Fruit

Fruit prices are expected to continue upward this spring, reflecting the reduced citrus crop after the Florida freeze and lower supplies of apples and processed fruits. As of March 1, citrus production was forecast at 12.4 million tons, 18 percent below last year. Smaller crops were forecast for all citrus except grapefruit and tangelos. Supplies of fresh noncitrus in cold storage are also substantially below a year ago. Grower prices in first-half 1982 are expected to average substantially above a year ago. Rising marketing costs and higher grower prices will continue to push up retail prices of fresh fruit in the months ahead.

The reduced 1981 crop of noncitrus fruit has lowered supplies of processed fruits. Current stocks of many canned noncitrus products are below last year. Movement has been generally weak, and occasional promotional allowances have been offered for several canned items. Wholesale prices of canned fruit have been moderately higher than a year earlier.

Reflecting higher wholesale prices and rising marketing costs, retail prices of processed fruit are substantially higher than a year ago. The Florida freeze and reduced supplies of several processed items will likely keep retail prices firm throughout the season. However, the rate of economic recovery will greatly influence price movements, with delayed or weak recovery moderating price increases. [Ben Huang (202) 447-7290]

### Vegetables

As supplies increase this spring, both farm and retail vegetable prices are expected to decline from the first quarter's high levels. The index of prices received by growers for fresh vegetables stood at 126 (1977=100) in mid-March, down 28 percent from last year and 22 percent below February. Meanwhile, the ERS retail price index for fresh vegetables (excluding potatoes) reached an alltime high of 202 (1977=100) in February, over 40 percent higher than last year. Increased lettuce prices (up 86 percent from a year ago) were primarily responsible for the rise.

The U.S. acreage planted to spring and summer onions is estimated at 128,360 acres (51,900 hectares), up 13 percent from last year and 10 percent more than in 1980. Prices for spring onions this year should be moderately lower than a year ago.

Production of winter potatoes in California and Florida is estimated at 2.32 million cwt, 6 percent greater than last year's record-low crop. In addition, stocks of fall potatoes on March 1 totaled 107 million cwt, a tenth higher than last year. The harvested area of spring potatoes is expected to total 77,800 acres (31,485 hectares), down fractionally from last year and the second smallest acreage on record. Grower and retail prices will likely remain below last year's high levels, at least through summer. [Michael Stellmacher (202) 447-7290]

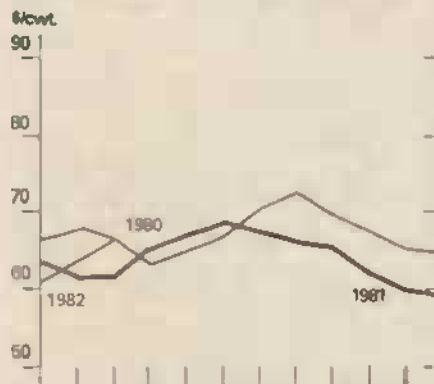
### Sugar

In March, the world price for sugar weakened to 11.3 cents a pound, down from 13.1 cents in February following reports that the USSR was reducing sugar purchases despite a poor 1981/82 crop. The poorer prices also reflect: the higher estimate for European Community beet-sugar production, estimates of only a slight reduction in European (including Eastern Europe and the USSR) sugarbeet acreage in 1982/83, and the strong dollar.

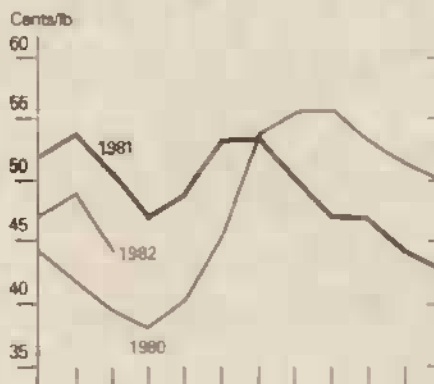


# Commodity Market Prices: Monthly Update

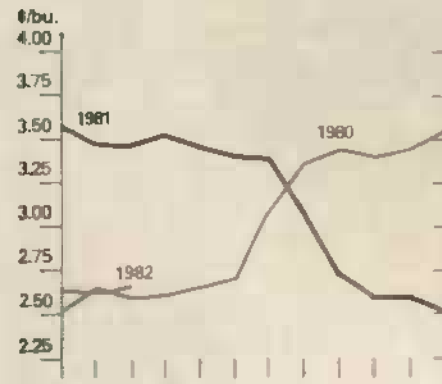
Choice steers<sup>1</sup>



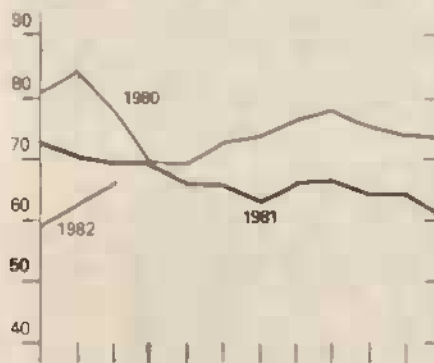
Broilers<sup>4</sup>



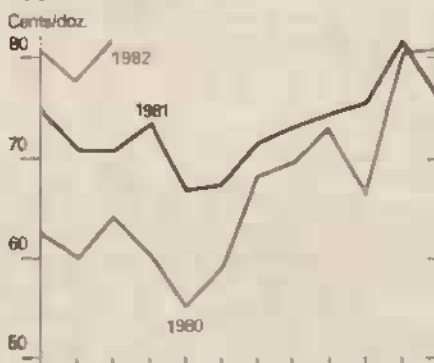
Corn<sup>6</sup>



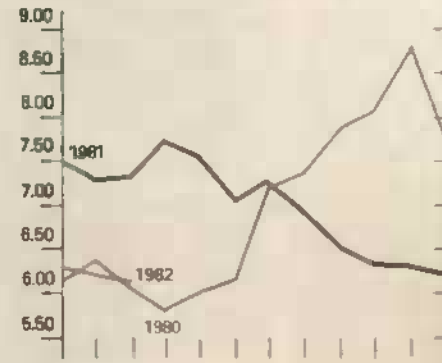
Choice feeder cattle<sup>2</sup>



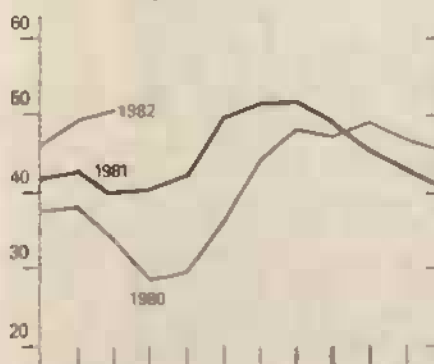
Eggs<sup>5</sup>



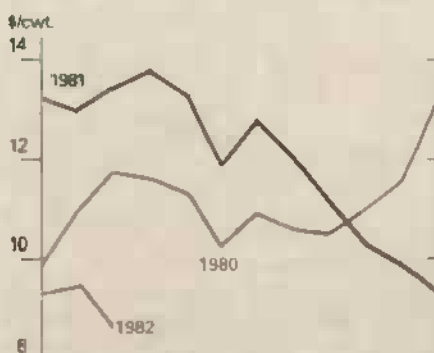
Soybeans<sup>7</sup>



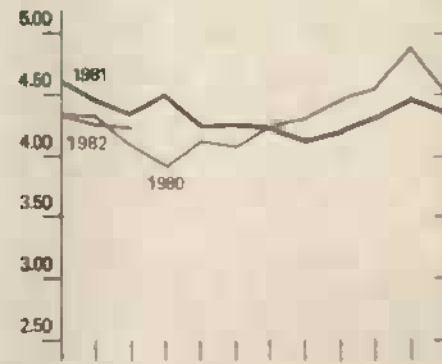
Barrows and gilts<sup>3</sup>



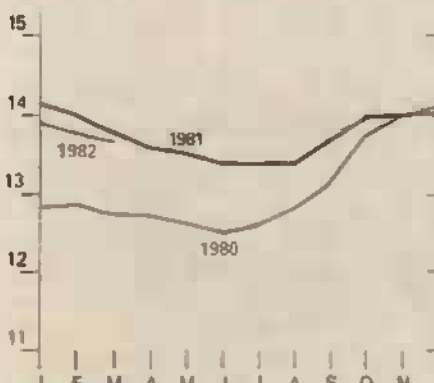
Rice (rough)



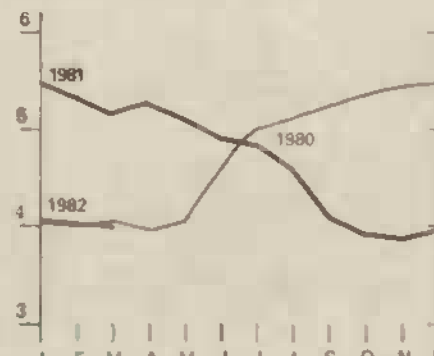
Wheat<sup>8</sup>



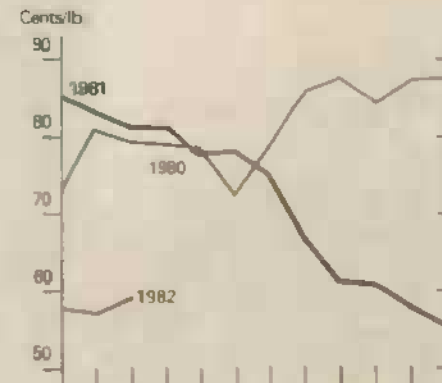
All milk



Sorghum grain



Cotton<sup>9</sup>



Prices for most recent month are mid-month prices.  
<sup>1</sup>Omaha. <sup>2</sup>600-700 lbs., Kansas City. <sup>3</sup>7 markets.

<sup>4</sup>Wholesale, New York. <sup>5</sup>Grade A Large, New York.

<sup>6</sup>No. 2 Yellow, Chicago. <sup>7</sup>No. 1 Yellow, Chicago.

<sup>8</sup>No. 1 HRW, Kansas City.

<sup>9</sup>Average spot market, SLM, 1-16.

The domestic price for raw sugar (c.i.f., duty/fee-paid, New York—Contract No. 12) rose in January after passage of U.S. sugar legislation. However, heavily discounted sugars dragged prices down to about 17 cents in March. The higher import fee beginning April 1 will help raise prices for domestic raw sugar. In turn, prices for domestic refined sugar and retail prices can be expected to continue rising somewhat over the next several months.

Prices for high fructose corn sirup (HFCS) fell sharply in January—by 3.0 to 5.5 cents a pound (dry basis), depending on the market area. Prices ranged from 14.1 cents a pound (dry basis) in Chicago-West to 16.9 cents in California. New and more efficient plants, some surplus capacity, a seasonal easing of demand, and poor overall economic conditions combined to keep prices down. However, low corn prices have helped HFCS producers.

U.S. sugar production in 1981 totaled 6.2 million short tons, raw value—up 8 percent from the previous year. Cane sugar output was up 12.1 percent, and beet sugar 4.3 percent. [Robert Barry (202) 447-7290]

#### Peanuts

U.S. peanut supplies for 1981/82 remain ample, as the recovery in use following the 1980 drought has lagged earlier expectations. For the first half of the marketing year, both domestic use and exports are below the same period of 1980/81. In the domestic market, recovery in peanut butter use is being more than offset by reduced use of peanuts in candy. With prospects for a smaller crop in 1982, some firms may boost the carryover of the 1981 crop through cold storage.

As required by the 1981 Farm Act, USDA asked for comments in March on regulations proposed for reducing poundage quotas. Although growers indicated they would reduce acreage of peanuts by 9 percent this year, the support price (\$200 per ton) and the relatively unattractive offers by private firms for "additional" peanuts (produced in excess of quota) suggest that acreage may drop even more.

[Verner Grise (202) 447-8776]

#### Tobacco

On January 1, stocks of tobacco were 3 percent above a year earlier. Despite the less favorable exchange rate for foreign buyers, U.S. exports are still expected to gain this marketing year. Domestic use may remain steady, leaving carryover from this year's large crop about 6 percent above last summer's figure. [Verner Grise (202) 447-8776]

#### FARM FINANCE UPDATE

Although agricultural lenders have money to lend, fewer farmers will be able to qualify for credit this year. Farm interest rates remain high, collateral requirements are rising, and farmers' income prospects—both on and off the farm—are at a reduced level again this year.

In March, interest rates at Federal Land Banks and Production Credit Associations averaged about 12.2 and 14.7 percent, respectively. Farm interest rates are not expected to decline much, if at all, in 1982.

The farmers most threatened by this year's adverse financial conditions are those with low equity. Even with depressed income prospects, farmers having adequate equity will be able to obtain financing. But farmers who recently entered farming or financed a substantial expansion could face severe obstacles to getting loans. For such farmers, partial liquidations may rise considerably this year.

The average loan-to-deposit ratio at agricultural banks was estimated at about 58 percent on December 31, 1981. While this is near the level of a year ago, it's significantly lower than in the late 1970's.

Delinquencies on farm loans are rising in most regions. Agricultural lenders are concerned about this trend and indicate that the agricultural economy must improve to forestall more serious problems in 1983. [Stephen Gabriel (202) 447-7340]

#### Upcoming Crop Reporting Board Releases

The following list gives the release dates of the major Crop Reporting Board reports that will be issued by the time the May *Agricultural Outlook* comes off press.

#### April

- 26 Sugar Market Statistics
- 29 Dairy Products
- 30 Agricultural Prices

#### May

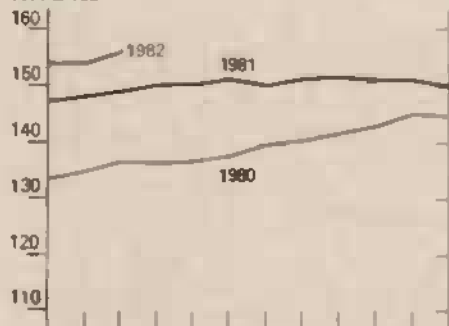
- 4 Poultry Slaughter
- 6 Vegetables
- 10 Crop Production
- 11 Milk Production
- 15 Potato Stocks
- Cattle on Feed
- 20 Cold Storage
- Livestock Slaughter
- Egg Products
- 21 Eggs, Chickens, & Turkeys

To start receiving any of these reports, send your name, address, and zip code to: SRS-Crop Reporting Board, USDA, Room 5829-South Bldg., Washington, D.C. 20250. Ask for the report(s) by title.

# Prime Indicators of the Agricultural Economy

Prices paid by farmers<sup>1</sup>

1977 = 100



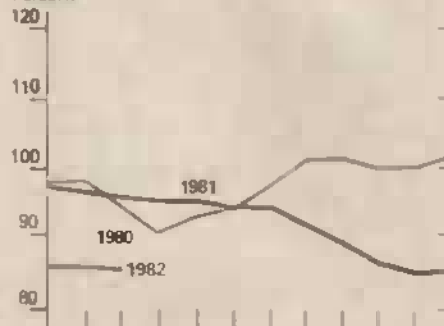
Prices received by farmers<sup>2</sup>

1977 = 100

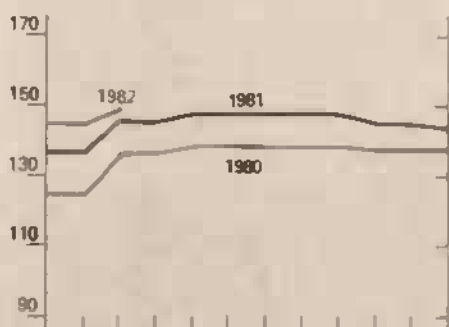


Ratio of prices received to prices paid

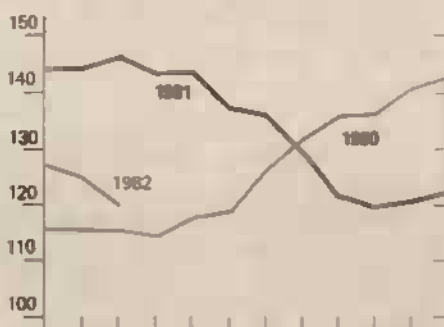
Percent



Fertilizer prices

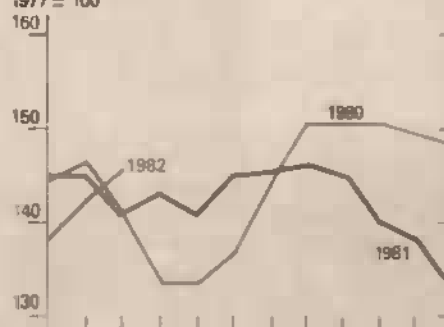


All crops

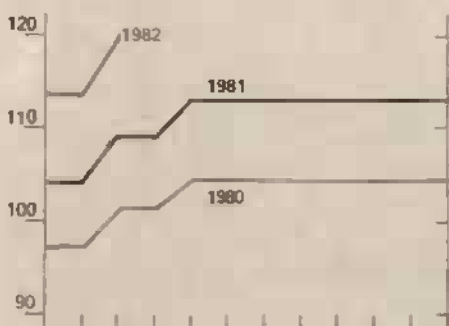


Livestock and products

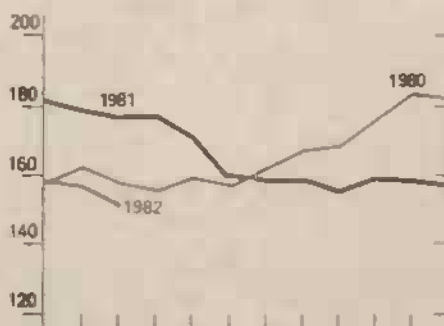
1977 = 100



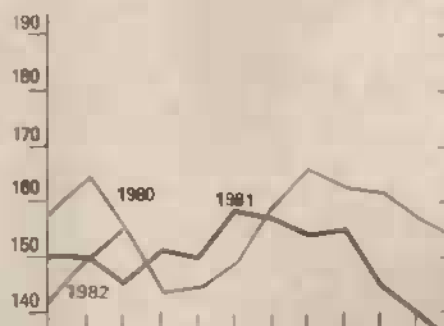
Agricultural chemicals



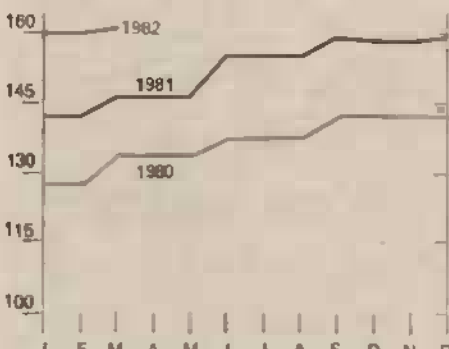
Food grains



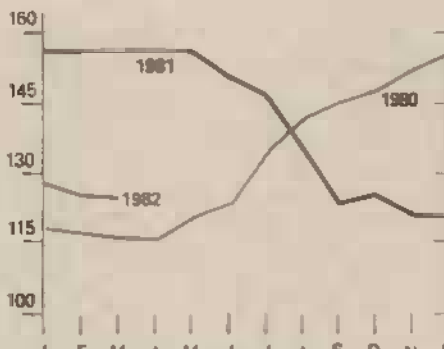
Meat animals



Tractors and self-propelled machinery



Feed grains and hay



Dairy products



<sup>1</sup>For commodities and services, interest, taxes and wages.

All series except "Ratio of Prices Received to Prices Paid" are indexes based on 1977 = 100.

<sup>2</sup>For all farm products





## Farm Income Update

Besides the traditional uncertainty over weather, this year's uncertainties about the U.S. and world economies, farmer participation in the acreage-reduction programs, and the course of interest rates and inflation make forecasts of 1982 farm income especially tentative. Given the unusual combination of events this year, forecasting farm income with any degree of confidence this early in the year is a difficult task.

The outlook for the next several months, however, is much clearer because commodity supplies are fairly well known until the next crop matures. The major uncertainty concerns the disposition of these supplies and the prices at which they will be sold. Factors that could keep commodity prices down over the next several months include: 1) continued weakness in the general economy, especially in real disposable incomes; 2) historically high interest rates; 3) very favorable moisture conditions in all major U.S. crop areas; and 4) recession-dampened world demand for agricultural commodities. This downward pressure on prices could continue through most of 1982 if U.S. and world crop production is large again this year and if U.S. economic recovery is delayed or sluggish.

On the positive side, factors that could improve the current situation include: 1) strong and sustained domestic economic recovery; 2) lower interest rates; and 3) strong recovery in agricultural export demand. Such a scenario would give some support to second-half prices and set the stage for a strong recovery in the farm economy next year.

A pivotal factor in the outlook will be domestic crop output. Grower participation in the acreage-reduction programs is still undetermined. Low program participation could mean large U.S. crops again this year because subsoil moisture has been replenished and snowpacks are large. In the face of sluggish demand, large 1982 crops would weigh heavily on commodity markets. This could be quite serious if the majority of producers choose not to participate and are therefore ineligible

to place commodities under loan or in the reserve and to receive deficiency payments. If participation in the programs is large, smaller crops would help bolster farm prices and support farm incomes.

### Rise in Prices Paid by Farmers To Slow

The ratio of prices received to prices paid by farmers generally parallels short-run trends in realized net farm income. Preliminary first-quarter data indicate prices received rose about 2.3 percent from the final quarter of 1981, while prices paid increased 2.7 percent, leaving the ratio unchanged—the fifth consecutive quarter the ratio has failed to rise. The outlook for the second quarter indicates prices received will rise slightly faster than prices paid, but not enough to change the ratio from first-quarter levels. Prices received for cattle, hogs, fruit,

### Schedule Set for Reporting Farm Income

USDA will make its first official forecast of 1982 net farm income in the September issue of the *Agricultural Outlook*. Forecasters will then have a firm estimate of 1981 farm income, based on 1981 production expenses reported by USDA in July, and crop output estimates from the August Crop Production report. The 1982 farm income forecast will be revised, if necessary, and reported at the November Agricultural Outlook Conference. This reporting pattern will be followed in subsequent years.

The fixed schedule for releasing estimates and forecasts of farm income will enhance the accuracy of USDA's indicators of farm-sector income because the release dates will now be linked to the annual spring survey of farm production expenses.

Each spring, USDA conducts a national survey of farmers to determine production expenditures for the previous calendar year. Until these survey data are tabulated, only limited information is available for estimating production expenses and net farm income. The income estimate based on these survey data is then used to forecast farm income for the following year. Thus, current-year forecasts made before the survey data are available are subject to large revisions.

One large source of revisions or "forecast errors" results from changes in crop prospects. In some years, USDA has made a farm income forecast for the coming year at the November Conference. However, at that time of year there are no firm data on marketing of the crops just harvested and farmers' plans for the next year's crops are still tentative. Also adding to the forecasting difficulty are the unknown effects of weather here and abroad on crop supplies and prices during the harvest season that will follow nearly a year later. Consequently, the forecast revisions necessary as the year progresses are frequently large. Such large changes, though fully justified by changes in farm conditions, have seriously eroded the usefulness of farm income forecasts, occasionally leading to confusion among users as to why the changes were made.

ERS has work underway to provide a more comprehensive set of economic indicators of the well-being and performance of the farm sector. This effort, which may continue another 2 years, is the culmination of several years of study and development by USDA and university economists.

and corn are expected to rise the most, while pesticides, feeder cattle, and feed will likely push up costs the most.

For the year, the ratio is expected to fall 6 to 8 percent, following declines of 5 percent in 1981 and 9 percent in 1980. Prices paid by farmers may rise only 4 to 6 percent this year, the smallest increase since 1977. However, prices farmers receive for most commodities will remain below year-earlier levels through the first half of this year. The index of prices received by farmers for all commodities in 1982 will likely average near last year's level.

**Government Payments Could Rise**  
Direct Government payments in 1982 may contribute more to total cash income than in 1981. The total will depend mostly on the size of deficiency payments and farmer-owned reserve storage payments. If farm prices continue to trail target prices despite strong overall participation in the reduced-acreage programs, deficiency payments to wheat and barley farmers (the only crops for which deficiency payments are generally made in the calendar year of production) could exceed last year's.

Deficiency payments this spring for 1981 cotton, rice, and sorghum have contributed substantially to 1982 payment totals. Strong program participation could also add to the grain reserve, boosting storage payments. Barring a major weather disaster, very little disaster-payment activity is expected, because Federal crop insurance has replaced disaster payments in most areas of the country. Disaster payments accounted for about \$660 million of the \$1.9 billion the Government paid to farmers last year.

**Cash Receipts May Be Lower**  
Total cash receipts may actually decline in 1982 for the first time since 1975. Livestock receipts may rise only slightly, while crop receipts are expected to fall for the first time since 1977. A modest economic recovery is currently projected for the third quarter, with

#### Price Sensitivity of Cash Receipts

An increase in the farm Price of:	In the amount of:	Increases cash receipts by: *
Million \$		
Wheat . . . . .	10 cents/bu.	247
Rice . . . . .	10 cents/cwt.	15
Corn . . . . .	10 cents/bu.	431
Sorghum . . . . .	10 cents/cwt.	27
Barley . . . . .	10 cents/bu.	31
Oats . . . . .	10 cents/bu.	17
Hay . . . . .	\$1/ton	28
Soybeans . . . . .	10 cents/bu.	233
Peanuts . . . . .	1 cent/lb.	39
Cotton lint . . . . .	1 cent/lb.	67
Tobacco . . . . .	10 cents/lb.	196
Cattle . . . . .	\$1/cwt.	467
Calves . . . . .	\$1/cwt.	34
Hogs . . . . .	\$1/cwt.	220
Broilers . . . . .	\$1/cwt.	166
Turkeys . . . . .	\$1/cwt.	32
Eggs . . . . .	1 cent/lb.	57
Milk . . . . .	10 cents/cwt.	124

\*Approximate changes at 1981 annual farm prices and constant quantity levels.

real disposable incomes rising faster on a quarter-to-quarter basis than during any quarter in the last few years. This increase, combined with expected smaller meat supplies, could strengthen livestock prices and receipts, with cattle prices expected to peak in the third quarter. With beef production expected to change little, 1982 cattle receipts will likely remain near last year's level—marking the third consecutive year in which cattle receipts failed to rise. Total livestock receipts have remained essentially flat for the past 2 years, with the strength in total farm cash receipts coming from crop marketings (up 3 and 5 percent, respectively, in 1980 and 1981).

Crop cash receipts are currently expected to decline slightly in 1982, as low farm prices for nearly all commodities will more than offset increased marketings from the record 1981 output. Fruit and nut receipts are expected to rise the most in 1982, with higher prices more than offsetting reduced production. Feed grain receipts may decline as prices slip in response to large supplies and weak demand. Low feed grain prices also reduce feed expenses for livestock producers, although the impact on cash receipts tends to be much greater.

#### Production Costs To Rise More Slowly

Overall, 1982 farm production expenses may rise only 3 to 5 percent. This would be the smallest increase since 1968. Besides the moderation projected for feed expenses, energy-based inputs will likely realize their smallest price gains since 1978. Fuel and fertilizer prices will moderate because of excess supplies and weak demand. This, combined with reduced farm use caused by declining acreage and 2 years of reduced cash incomes, will leave energy-based expenses up only slightly in 1982.

Much of the upward push in 1982 production expenses will come from interest charges. In the past few years, the cost of servicing farm debt has made up an ever larger share of total production expenses. Interest charges may account for nearly 15 percent of total expenses in 1982, compared with 12 percent just 2 years ago. The reason: rapidly escalating interest rates since 1979, combined with equally large increases in outstanding farm debt. Nominal farm interest rates are currently expected to show little, if any, decline in 1982. As a result, the average interest rate on all debt outstanding will climb as new loans will carry a higher rate of interest than loans being retired.

Net cash income for farmers will likely remain at reduced levels for the third consecutive year. With gains in cash receipts being drained away by increasing cash expenses in the past few years, farmers have had to adjust to declining net cash incomes. They have taken on more debt and delayed purchases of capital items. This slowdown has also hit farm machinery dealers, manufacturers, and other farm input suppliers. [Gary Lucier (202) 447-4190]



## World Agriculture and Trade

### WORLD LIVESTOCK OUTLOOK

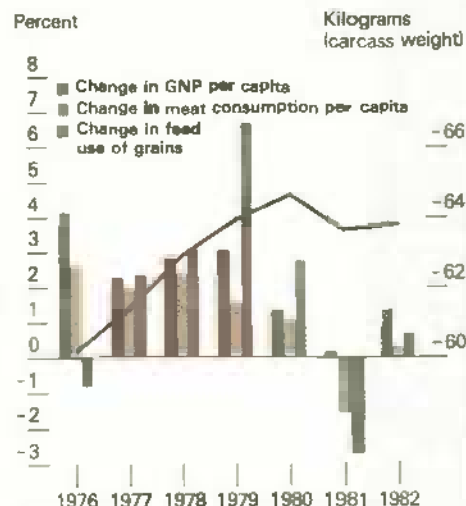
The current slowdown in world economic growth and last year's poor returns to livestock producers have depressed global meat production and use, as well as feed consumption. Beef and veal output in major producing countries is forecast to change little or decline marginally in 1982, while pork production is projected to drop 2 percent. Poultry production, which rose an average 7 percent annually during 1977-81, is forecast to increase only 1 percent. Foreign feed use of coarse grains and wheat will likely rise only 0.8 percent in 1981/82.

Economic growth in Organization for Economic Cooperation and Development (OECD) countries (excluding the United States and Yugoslavia) slowed in 1981 and is forecast to stay sluggish in 1982. This slowdown weakened demand for meat, causing a 1.5-percent decline in total per capita meat use in those countries last year. Very slight growth is forecast for 1982. The damping of meat demand has also limited meat production and the accompanying

demand for feed. Total grain feed use in OECD nations (excluding the United States and Yugoslavia) dropped almost 3 percent in 1980/81 and is forecast to rise less than 1 percent in 1981/82.

**Little Change Expected for Beef**  
Beginning cattle inventories for 1982 in the major beef-producing regions are forecast to be up less than 1 percent. Although some of the major herds (mainly in North America and the USSR) have been growing, the cattle cycle may not begin to turn up until this year in other major areas. Total beef and veal production is forecast to be about the same as last year because weak economic conditions, beginning herd retention, and the cost-price squeeze will likely restrain output.

Little Change Forecast for OECD\* Per Capita Meat Consumption



\* Organization for Economic Cooperation and Development. Data are for Canada, Japan, the EC-10, Australia, New Zealand, Turkey, and other Western Europe. Excludes the United States and Yugoslavia.

1981 Preliminary. 1982 Forecast.

The United States is the largest of the major beef and veal producers, accounting for a quarter of total output. Although this country is in the expansion phase of the cycle, the rate of growth has slowed. In 1981, U.S. production increased 3 percent; fed beef slaughter declined less than 1 percent, but nonfed slaughter was up 34 percent. Nonfed steer and heifer slaughter accounted for 10 percent of total commercial slaughter in 1981. Pessimism about this year's economic outlook and poor feeding margins until last fall held down feeder cattle prices and feedlot placements for much of 1981. Feedlot placements have risen above a year ago this winter. As a result, production estimates show little change from 1981.

The United States imports considerable amounts of beef—mainly lower quality lean meat used for hamburger, bologna, etc.—and exports smaller quantities of high-value, high-quality meat—about 60 percent of which goes to Japan. However, U.S. exports have been growing and will likely reach 100,000 metric tons in 1982. Beef and veal imports were down to 799,000 metric tons in 1981, accounting for 8 percent of consumption, and are expected to decline again in 1982.

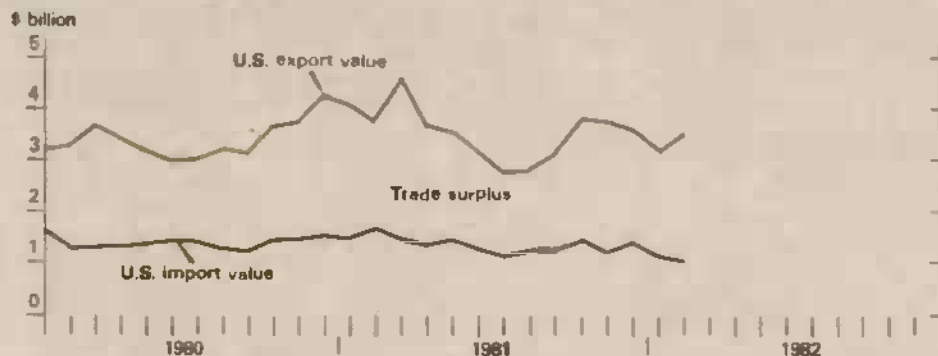
The USSR accounts for about 16 percent of total world production and is the second largest importer after the United States. Even with tight feed supplies, the Soviets have maintained inventories, and production has remained static.

Australia exports more beef than any other country, over half of which goes to the United States. Cattle inventories and beef production have been declining over the last 5 years, and the expected turnaround in the cycle has been delayed because of last year's drought and poor financial returns.

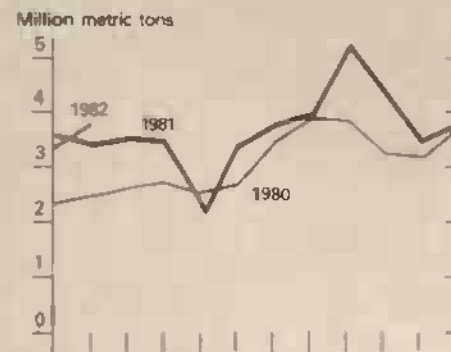


# U.S. Agricultural Trade Indicators

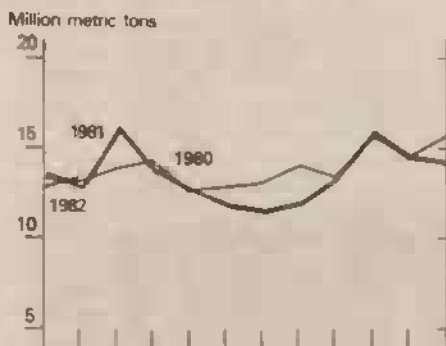
## U.S. agricultural trade balance



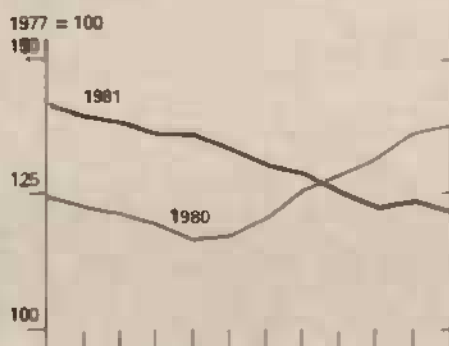
## U.S. wheat exports



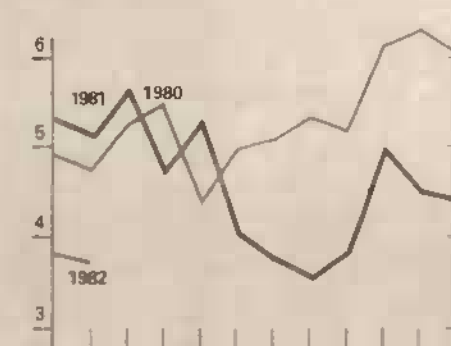
## Export volume



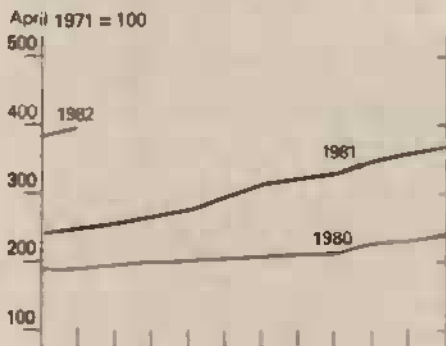
## Export prices



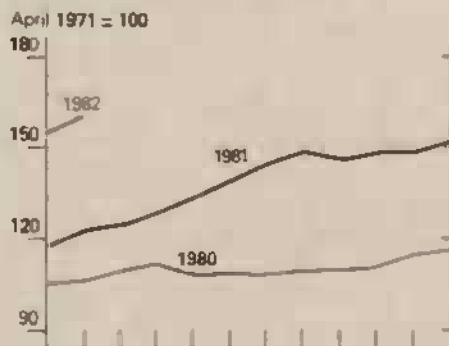
## U.S. corn exports



## Wheat exchange rate\*



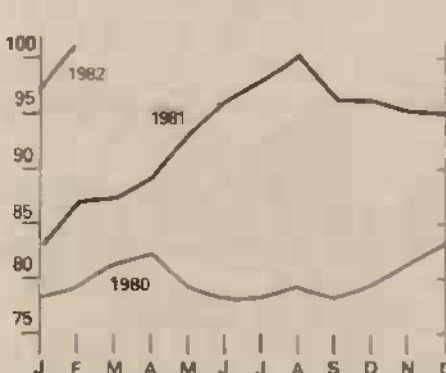
## Corn exchange rate\*



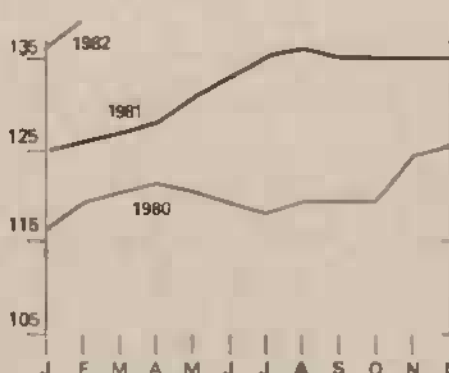
## U.S. soybean exports



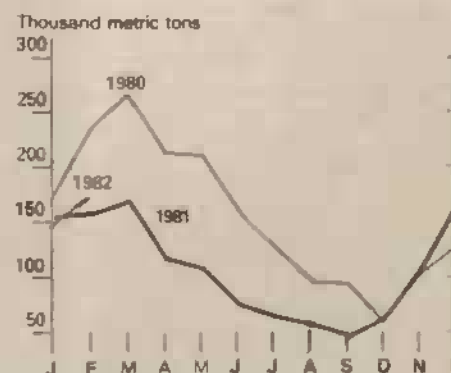
## Soybeans exchange rate\*



## Cotton exchange rate\*



## U.S. cotton exports



\*Foreign currency value of U.S. dollar, weighted by relative size of agricultural trade with the United States. An increasing value indicates that dollar has appreciated against the basket of currencies represented in that particular commodity market.

## World Cattle Inventories Up, Production Forecast Down

	Cattle inventory <sup>1</sup>			Beef and veal production		
	1980	1981 p	1982 p	1980	1981 p	1982 F
	mil. head			1,000 MT		
United States . . . . .	111.2	114.3	115.7	9,999	10,344	10,262
Canada . . . . .	12.4	12.5	12.7	971	1,020	1,050
Mexico . . . . .	29.5	29.6	29.9	1,060	1,105	1,175
Argentina . . . . .	58.9	58.7	57.5	2,876	3,000	2,810
France . . . . .	23.5	23.6	23.6	1,831	1,840	1,825
West Germany . . . . .	15.1	15.1	15.0	1,564	1,535	1,495
Total EC-10 . . . . .	78.9	78.4	78.2	7,123	6,884	6,864
Eastern Europe . . . . .	38.4	37.7	37.2	2,596	2,525	2,502
USSR . . . . .	115.0	115.1	115.7	6,673	6,700	6,650
Australia . . . . .	26.2	25.2	24.7	1,539	1,411	1,369
New Zealand . . . . .	8.1	8.3	8.4	505	490	480
Other . . . . .	458.5	462.0	464.4	7,267	7,337	7,364
Total <sup>2</sup> . . . . .	937.1	941.8	944.4	40,609	40,816	40,526

p = preliminary. F = Forecast. <sup>1</sup>Beginning of year inventory, estimates as of March 3, 1982.

<sup>2</sup>Includes 53 selected nations.

Market uncertainty and lower U.S. prices for imported boneless beef have contributed to Australian producers' pessimism, and output should continue to decline in 1982. Because of these declines, Australian exports were down last year by almost 20 percent. Australia supplied nearly 60 percent of U.S. imports of boneless beef in 1980, but this dropped to less than 50 percent in 1981. Exports in 1982 should remain relatively stable, with some increase possible if prices improve.

Argentina is the second largest beef exporter. Because of hoof-and-mouth disease, only cooked boneless beef may be exported to the United States. A decline in Argentine production is likely in 1982, because higher prices and easier credit are expected to encourage herd retention. In May 1981, the Government instituted a credit program to help farmers retain breeding stock. This should end last year's liquidation, which arose from financial problems (indebtedness and high interest rates) and relatively low cattle prices that led producers to slaughter more young animals during the first half of the year.

The European Community produces about 17 percent of the world's beef and, since 1980, has been a net exporter of subsidized beef in an attempt to reduce surpluses. Inventories and production in the EC-10 declined in 1981, as high interest rates, the continued cost-price squeeze, and policies designed to restrain surpluses dampened investment and growth. Higher retail prices also inhibited consumer demand. The outlook for 1982 is much the same as last year, with producers keeping output above consumption.

**Pork Output To Decline Slightly**  
Hog numbers in major producing countries at the beginning of 1982 are estimated down almost 1 percent, because negative or poor returns to hog farmers in many countries—especially the United States—forced producers to cut back or limit breeding herds. Pork output in these major producers is forecast to decline slightly. Foreign hog numbers at the beginning of 1982 are estimated up marginally, with virtually no growth forecast for meat production.

With continued losses in 1981, U.S. producers cut hog numbers 9 percent. Pork production in 1982 is forecast to drop about 13 percent with cutbacks continuing all year.

In the EC, pork output is forecast to rise only marginally, limited by 1981's low returns that resulted in stagnant hog numbers. Pork output in Eastern Europe may show little change. Production may decline in East Germany but may increase in Poland from 1981's low. Feed shortages in some nations caused hog numbers to decline from 1981, and adequate feed will be critical, especially in Poland. Feed shortages during 1981 forced the Soviets to slightly reduce hog numbers, which is expected to limit increases in pork production in 1982. Japanese output is forecast to rise slightly, but currently depressed returns to producers may limit the gain.

## World Hog Inventories, Production Down Again in 1982

Country/Region	Hog inventory <sup>1</sup>			Pork production		
	1980	1981 p	1982 p	1980	1981 p	1982 F
	mil. head			1,000 MT		
United States . . . . .	67.4	64.5	58.7	7,537	7,210	6,450
Canada . . . . .	9.7	9.6	9.4	877	865	845
Mexico . . . . .	12.7	12.9	13.6	470	470	515
Germany, Fed. Rep. . . . .	22.4	22.6	22.1	2,726	2,700	2,670
France . . . . .	11.4	11.7	11.8	1,691	1,724	1,750
Netherlands . . . . .	9.7	10.1	10.5	1,062	1,134	1,150
Total EC-10 . . . . .	76.9	78.0	78.1	9,376	9,508	9,564
Eastern Europe . . . . .	71.3	70.9	70.2	6,806	6,596	6,593
USSR . . . . .	73.9	73.4	73.2	5,092	5,200	5,200
Japan . . . . .	10.0	10.1	10.4	1,476	1,396	1,415
Other . . . . .	109.3	106.9	109.3	5,831	5,911	5,932
Total <sup>2</sup> . . . . .	431.2	426.3	422.9	37,465	37,176	36,514

p = preliminary. F = Forecast. <sup>1</sup>Beginning of year inventory, estimates as of March 3, 1982.

<sup>2</sup>Includes 51 selected nations.

## World Poultry Output Forecast Up Slightly

Country/Region	1979	1980	1981 p	1982 F
1,000 MT				
United States . . . . .	6,519	6,615	6,992	7,008
Canada . . . . .	539	530	643	550
Mexico . . . . .	404	476	522	561
Brazil . . . . .	1,096	1,330	1,485	1,585
France . . . . .	1,034	1,122	1,252	1,342
Total EC-10 . . . . .	3,831	4,004	4,158	4,329
Eastern Europe . . . . .	1,894	1,926	2,009	1,724
USSR . . . . .	2,000	2,003	2,300	2,450
Japan . . . . .	1,109	1,145	1,131	1,160
Other . . . . .	2,469	2,715	2,840	2,907
Total <sup>1</sup> . . . . .	19,861	20,744	21,980	22,274

p = preliminary. F = Forecast. <sup>1</sup>Includes 40 selected nations. Estimates as of March 3, 1982.

World pork trade patterns in 1982 will shift due to recent outbreaks of foot-and-mouth disease in Denmark, the world's largest pork exporter. The United States, Japan, Canada, Australia, other Scandinavian, and some South American nations have banned Danish fresh frozen and chilled meat imports. However, the European Community, the world's largest importer and the main Danish customer, had kept its border open to Danish meat as of late March. The Japanese ban is expected to increase U.S. pork shipments to Japan substantially above last year's 40,000 tons. Denmark shipped more than 70,000 tons of pork to Japan in 1982. Canada is also expected to increase its exports at the expense of Denmark. In addition, U.S. pork imports from Denmark will likely drop in 1982. The United States imported 11,000 tons of fresh and frozen pork from Denmark in 1981.

## Slower Growth Forecast for Poultry

Poultry meat output in major producing countries is forecast to rise about 1 percent in 1982—a significant slowdown from last year's 6-percent gain, primarily because low returns are restraining U.S. output. Production by major foreign exporters—the EC and Brazil—will rise moderately. However, import demand may grow more slowly, especially in the Middle East.

U.S. poultry output is forecast to rise marginally, with a small percentage gain for broilers. U.S. poultry meat exports in 1982 may increase 5 to 7 percent in volume. Shipments to East Asia should rise, but Egypt's recently announced 6-month ban on poultry imports will likely hurt exports. Output in the EC and Brazil is forecast to rise 4 and 7 percent, respectively, stimulated by export subsidies.

Among importers, Japanese output is expected to rise this year, but purchases will not likely increase as rapidly as last year. Despite the USSR's tight overall feed situation in 1981, poultry production rose 13 percent as the Soviets allocated adequate feed to this sector. This year's gains are not expected to be as large. Even with this continued growth in output, imports are projected to rise from last year's 230,000 tons, as the Soviets are encouraging increased poultry use.

Output will continue to rise in the Mideast, but production will not keep pace with large gains in consumption, requiring stepped-up imports. Saudi Arabia, the world's second largest importer, is expected to boost its purchases from 1981's 250,000 tons. Iraq is also likely to raise imports. The Egyptian Ministry of Supply has announced that it will not import any frozen chickens during March-August 1982 because stocks are ample for present needs. Egypt imported 95,000 tons of poultry in 1981, a large part from the United States. The government is also pursuing a self-sufficiency policy, stressing the need to increase domestic poultry output and reduce imports. [David Young and Linda Bailey (202) 447-9160]

## Upcoming Situation Reports

USDA's Economic Research Service will issue the following situation reports this month:

Title	Summary Released
Aquaculture	Apr. 20
Fats & Oils	Apr. 26
Vegetables	Apr. 28
Livestock & Meat	May 3
Feed	May 4
Sugar & Sweetener	May 6
World Crop Production*	May 10
Ag Supply & Demand*	May 11
Wheat	May 12
Export Outlook*	May 19

All reports are reviewed by the World Agricultural Outlook Board (WAOB). Copies of the full reports will be available a week to 10 days after the summary is released. Reports can be obtained by writing to: ERS Publications, Room 0054-South Building, USDA, Washington, D.C. 20250.

\*These reports, released by the WAOB, are issued in full on the date indicated.





## General Economy

Higher-than-expected interest rates and weaker economic growth abroad have dampened the general economic outlook for the second half of 1982. High interest rates are impeding domestic demand—particularly for housing and durables—while the slower growth of foreign economies is lowering export demand. Recovery is still expected to be underway by the third quarter, however, spurred by the tax cut scheduled for July 1. The general economic outlook for 1983 remains cloudy because of uncertainty over the course global interest rates will follow during recovery.

The recent cutbacks in industrial production should help complete liquidation of unwanted inventories in the next few months. Since peaking at 153.9 (1967=100) last July, the Federal Reserve Board's index of industrial production has fallen 12.1 points to 141.8 in February. Meanwhile, real final sales have increased, thus reducing excess inventories.

### Inflation Outlook Continues To Improve

Both the Consumer Price Index (CPI) and the Producer Price Index (PPI) have risen at monthly rates of 0.5 percent or less for the past 5 months, and weakness in the PPI extends back to last summer. Although the broader based implicit deflator for GNP rose at an annual rate of 9.5 percent in the fourth quarter of 1981, it should moderate during 1982, eventually reflecting weakness in the more volatile CPI and PPI.

Tight money has caused continued downward pressure on prices of raw industrial commodities—especially crude oil—and high unemployment has led to reduced wage demands in labor markets. Major unions have negotiated wage concessions in several industries, including autos, airlines, trucking, and meatpacking. If wage concessions spread through the rest of the economy, inflation could drop below the 6 to 7 percent rate forecast for 1982—down substantially from 9 to 10 percent in 1981. These factors, combined with productivity increases, are expected to keep inflation low during the early stages of recovery.

### Interest Rate Outlook Remains Uncertain

When the recession hit with full force last fall, interest rates dropped sharply from their summer highs. This is the typical pattern during a recession, as credit demand declines along with economic activity. Interest rates were projected to continue falling during the recession and then rise again with recovery. Instead, rates moved up during the winter and then softened somewhat in March.

The upturn in interest rates, which caught many analysts by surprise, has been attributed to a variety of factors. First, business loan demand was unusually strong, causing upward pressure on rates. Second, the outlook for continued high Federal deficits into the foreseeable future caused market participants to expect high future rates, with these expectations then being incorporated into current rates. Third, because of uncertainty surrounding the interest rate outlook, investors may be demanding a risk premium. Finally, bank deposits expanded more this winter than the Federal Reserve intended. The financial markets then expected the Fed to curb bank reserves in the future, which drove up current rates.

Long-term rates remain high, apparently because inflationary expectations have not yet adjusted to the recent slowdown in observed inflation. It's unclear how long it will take to reduce these deeply entrenched long-term inflationary expectations. Analysts point out that while inflation was cut in half by the 1973-75 recession, it accelerated to new highs during the recovery. Investors had not correctly anticipated this.

Thus, markets may be looking past the current slowdown in inflation and taking a wait-and-see attitude about the longer-term inflationary prospects. Whatever the reason, rates will remain high until investors are convinced that inflation will not accelerate again during recovery. The current outlook is for continued high and volatile interest rates by historical standards.

### Personal Interest Income Rising

Although high interest rates are damping overall economic activity, they are benefiting some sectors of the economy—most notably the financial services industry. This sector has grown considerably in the last few years, as high interest rates led to a number of financial innovations such as money market mutual funds, NOW accounts, and various savings certificates.

Because of these innovations and some deregulation of the banking industry, consumers and small savers now have access to high market rates of return. The accompanying chart shows that interest income rose from 8.5 percent of total personal income in the fourth quarter of 1971 to 13.2 percent in the fourth quarter of 1981. This has helped to shore up personal income—and thus consumption—during the recessions of 1980 and 1981. Both the distribution of income and the composition of consumption may have changed because interest recipients are presumably concentrated in higher income brackets. (Paul Prentice (202) 447-2317)

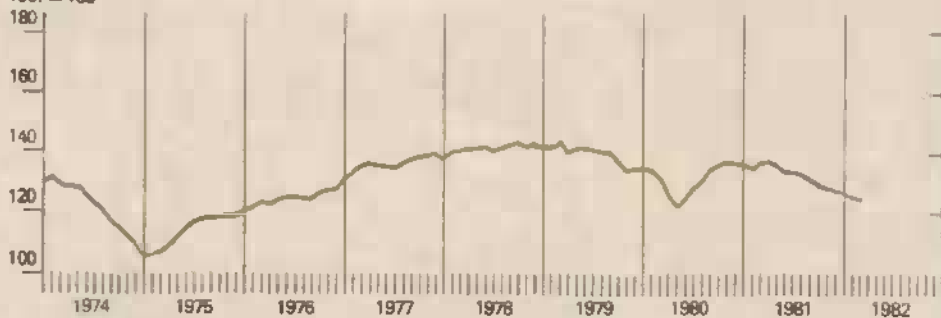
### Interest Income Growing More Significant



# General Economic Indicators

Composite leading economic indicators

1967 = 100



Industrial production

1967 = 100



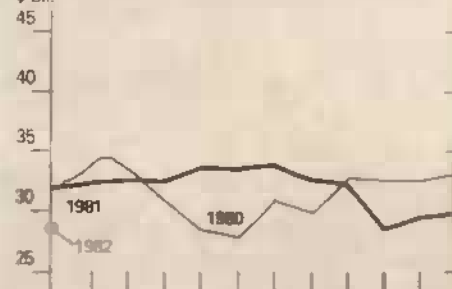
Disposable income and consumption expenditures<sup>2,7</sup>

\$ bil.



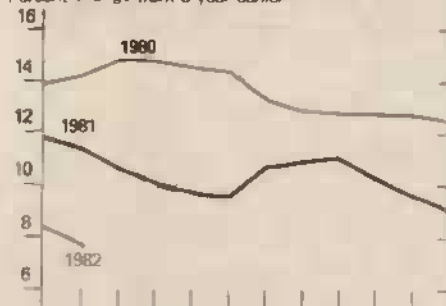
Manufacturers' durable goods orders<sup>2</sup>

\$ bil.



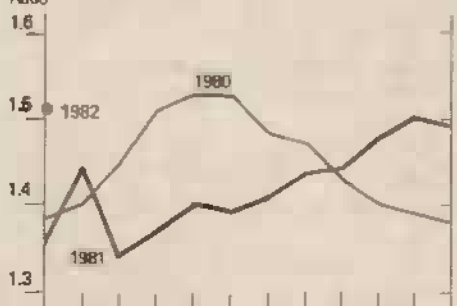
Consumer price index

Percent change from a year earlier



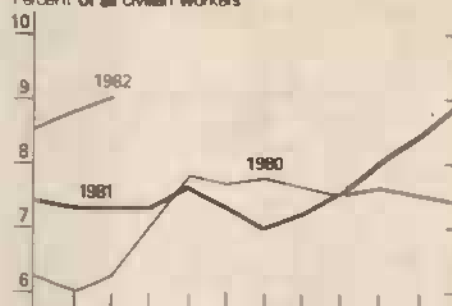
Inventory/sales<sup>3</sup>

Ratio



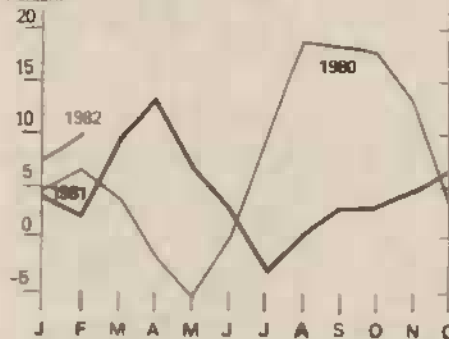
Unemployment<sup>4</sup>

Percent of all civilian workers



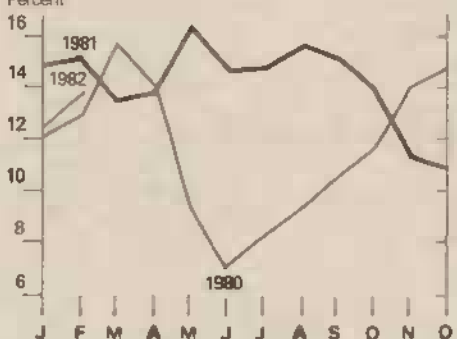
Money supply (M1-B)<sup>5</sup>

Percent



Treasury bill rate

Percent



Savings rate<sup>6,7</sup>

Savings as percent of disposable personal income



<sup>1</sup>Billions of 1972 dollars, seasonally adjusted at annual rates. <sup>2</sup>Billions of 1967 dollars. (Current dollars deflated by seasonally adjusted producers price index for capital goods). <sup>3</sup>Manufacturing and trade, seasonally adjusted at annual rates. <sup>4</sup>Seasonally adjusted. <sup>5</sup>Annual rate of change from three months previous.

<sup>6</sup>Calculated from disposition of personal income in 1972 dollars, seasonally adjusted at annual rates. <sup>7</sup>Estimate for latest month. Sources are the U.S. Department of Commerce, the U.S. Department of Labor, and the Board of Governors of the Federal Reserve System.



## Food and Marketing

### 1982 FOOD PRICE UPDATE

Retail food prices this year are expected to average 5 to 7 percent above last year, with the current assessment indicating a 6-percent increase. This would be below the 1981 rise of 7.9 percent, continuing the slower increases that began after 1979. A 6-percent increase would also likely make 1982 the fourth consecutive year in which food prices have risen less than the general inflation rate.

Large supplies of foodstuffs and weak demand will continue to moderate food prices this year. The farm value of foods will likely be up 1 to 4 percent, contributing only about one-eighth of the rise. As in 1981, higher marketing costs will contribute most to this year's price rise. However, because of the recession and the lower inflation rate, marketing costs may rise less than in recent years. The farm-to-retail price spread is expected to climb 6 to 8 percent, causing about two-thirds of the retail price rise. The remainder of the increase will reflect higher prices for imported foods and fish, currently expected to rise 6 to 8 percent.

Weather-related declines in supplies—especially for fruits, vegetables, and meats—pushed the Consumer Price Index (CPI) for food up rapidly at the start of the year. Final first-quarter data will likely show the food CPI up about 2 percent from fourth-quarter 1981, the largest quarterly advance in

### Smaller Food Price Rises Forecast for 1982

Component	Change in Consumer Price Index for Food				
	1978	1979	1980	1981	1982 F
	Percent				
All food	10.0	10.9	8.6	7.9	5 to 7
Food away from home	9.0	11.2	9.9	9.0	6 to 8
Food at home	10.5	10.8	8.0	7.3	4 to 6
Meats	18.7	17.0	2.9	3.6	4 to 6
Beef and veal	22.9	27.3	5.7	0.9	3 to 5
Pork	12.9	1.5	-3.4	9.3	9 to 11
Other meats	17.8	14.7	3.8	4.3	4 to 6
Poultry	10.3	5.0	5.1	4.1	2 to 4
Eggs	-5.5	9.5	-1.8	8.3	4 to 6
Dairy products	6.7	11.6	9.8	7.1	2 to 4
Fish and seafood	9.5	9.8	9.2	8.3	5 to 7
Fruits and vegetables	11.1	8.0	7.3	12.0	7 to 9
Cereals and bakery products	8.9	10.1	11.9	10.0	6 to 8
Fats and oils	9.5	8.0	6.6	10.7	0 to 2
Sugar and sweets	12.2	7.8	22.9	7.9	2 to 4
Nonalcoholic beverages	5.7	5.0	10.6	4.2	4 to 6
Other prepared foods	8.0	10.1	10.8	10.3	7 to 9

Data for 1978, 1979, 1980, and 1981 are from the U.S. Department of Labor, Bureau of Labor Statistics; 1982 forecasts by the U.S. Department of Agriculture. F = Forecast.

a year. Prices for most other foods will be up only moderately through midyear because of weak consumer demand and large supplies. The magnitude of price rises in the second half of the year, especially for meats and food away from home, will depend on the extent of economic recovery. Recent developments affecting the food price outlook include:

- The general economic outlook for 1982, which has weakened in recent months.
- Insect damage to California's lettuce crop.
- The harsh winter weather, which disrupted livestock production, damaged Florida's vegetable and citrus crops, and interfered with fishing.
- And the Agriculture and Food Act of 1981, which was enacted in December.

### Implications from the General Economy

A weaker-than-expected economic recovery implies reduced demand for food. This is especially important for meats and food away from home. For both categories, demand is typically more responsive to changes in consumer incomes than it is for most other foods.

The expected smaller inflation rate has also influenced the forecast for food marketing costs. In particular, labor costs are expected to rise less than in recent years, with a 7- to 9-percent increase likely, compared with a 10-percent increase last year. Significantly,

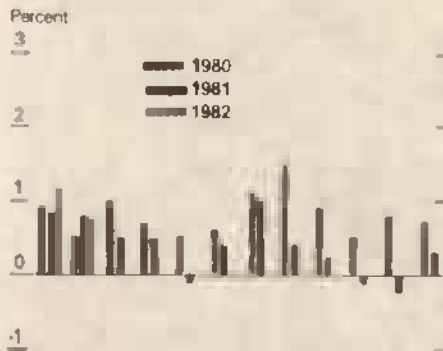
the minimum wage did not rise this year. Also, a lower inflation rate will reduce cost-of-living increases in wages. Furthermore, smaller wage increases in new contracts are likely, partly because some unions have made concessions to protect jobs. This has already occurred in the meatpacking industry. In settlements with five major companies, meatpacking workers agreed to contracts that essentially freeze wages and eliminate cost-of-living adjustments until fall 1984. In exchange, the meatpackers gave assurances that no plants would be closed through the middle of 1983. Additionally, the contracts provide a lump-sum payment equal to payments that would have been made under cost-of-living adjustments in 1982.

Energy costs in the food industry are expected to rise less than the inflation rate this year. This primarily reflects large global petroleum supplies and economy-wide weak demand for energy due to the recession.

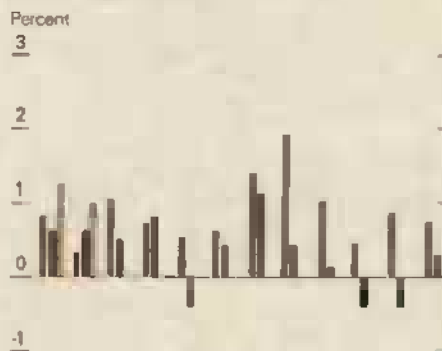
The weakness in the economy and in labor markets has also affected transportation costs in the food industry this year. In particular, trucking costs are expected to rise only moderately, because large petroleum supplies are holding down fuel costs. In addition, Teamster truck drivers recently agreed to wage and benefit concessions. In the agreement, pay increases will be limited to annual cost-of-living adjustments; these adjustments were semi-annual under the previous contract. Wages will otherwise remain fixed,

# Food and Marketing Indicators

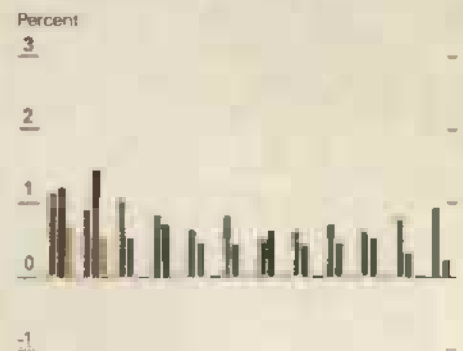
CPI: Total Food<sup>○</sup>



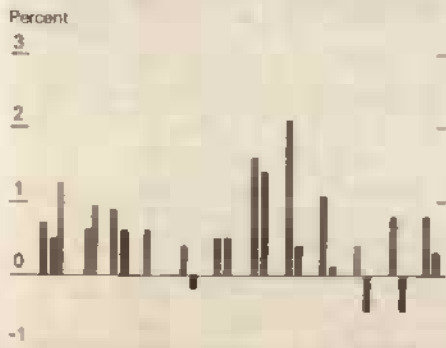
CPI: Food at home<sup>○</sup>



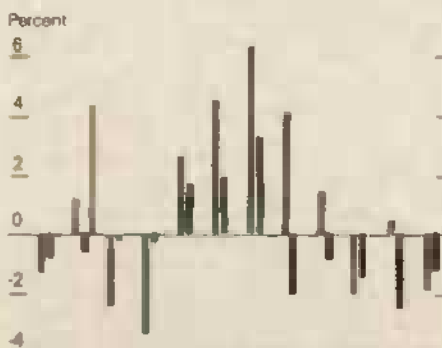
CPI: Food away from home<sup>○</sup>



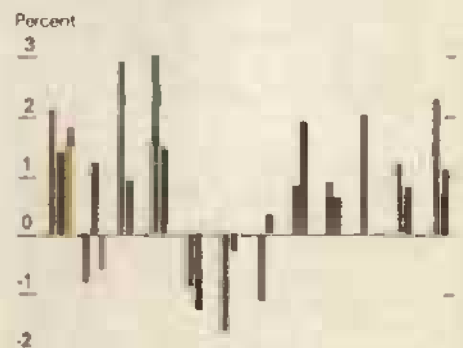
Farm food market basket, retail price



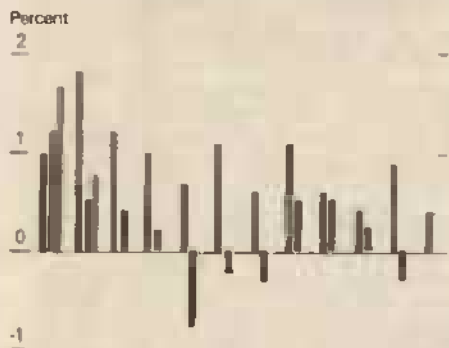
Farm value



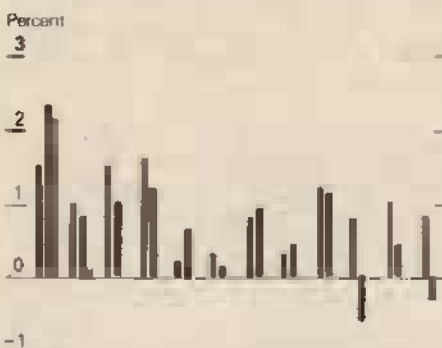
Farm-to-retail spread



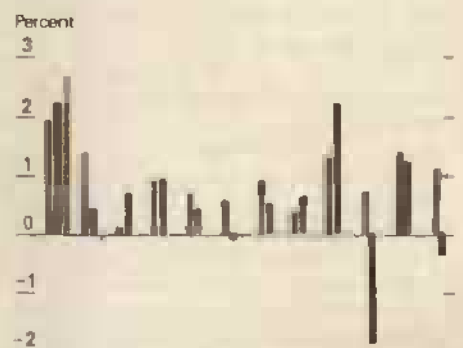
Imported food and fishery products



Marketing cost index



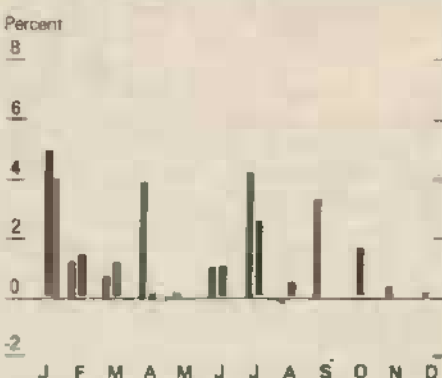
Labor cost



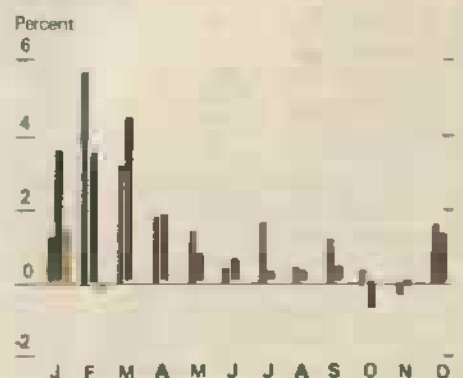
Packaging cost



Rail freight rates



Energy rates



<sup>○</sup>CPI unadjusted.

All series expressed as percentage change from previous month.



since the contract does not provide for automatic deferred increases common in previous agreements.

### **Whitefly Affects California Lettuce Crop**

So far this year, fresh vegetable prices have been up sharply. Retail lettuce prices were high early in the year because of reduced U.S. acreage and whitefly damage to the California crop. Although lettuce prices have fallen as harvest shifted away from insect-infested areas, they will remain above last year's at least through the middle of the year because of the smaller acreage.

### **Freeze Reduces Supplies of Fresh Vegetables and Frozen Orange Juice**

On top of the smaller planted acreage nationwide, the January freeze in Florida has reduced winter vegetable production. Freeze damage appears less severe than in the 1981 freeze, and larger imports from Mexico will offset some of the supply reductions. However, retail prices for fresh vegetables will likely remain high until harvests of acreage that was replanted after the freeze affect retail supplies in the spring.

The freeze also cut production of frozen concentrated orange juice (FCOJ). Before the freeze, FCOJ output was estimated at 183 million gallons—which would have been the third largest annual output, but still below 1980's record 231 million gallons. The 1982 freeze reduced both the number of boxes of oranges harvested and the juice content, leading to a 38-million-gallon decrease in this year's estimate. Retail prices are higher than expected before the freeze, although large carryover stocks and continued high imports from Brazil have moderated the increases.

### **Winter Weather Lowers Meat and Fish Supplies**

Severe weather in the Midwest interfered with hog production from mid-January through mid-February, but marketings have increased since. In addition, disease and death loss reduced the winter pig crop. This will push third-quarter pork supplies lower than the sharply-reduced levels already expected due to planned production cutbacks. Consequently, with demand likely to pick up as the economy recovers, retail pork prices may rise significantly in the third quarter. Because of the weather, broiler slaughter was disrupted in January, pushing retail chicken prices higher.

Retail fish and seafood prices rose sharply early in the year as cold weather interfered with fishing. But prices are likely to fall some as the weather improves and supplies increase.

### **Farm Act Affects Retail Dairy and Sugar Prices**

The Agriculture and Food Act of 1981 was enacted in late December. Many of its provisions will have little or no impact on prices of most foods this year. Most agricultural products affected are either not used for food, are used indirectly as livestock feed, or are used directly but their value accounts for only a small part of the retail price. However, provisions regarding dairy products and sugar will affect retail food prices in 1982.

For dairy, the support level must now be adjusted annually instead of twice a year. Also, minimum price support is no longer strictly tied to parity. However under certain conditions, support will be set at 70 or 75 percent, down from the minimum 80 percent under the previous law. As a result, the dairy support price will likely stay at last year's \$13.10 per cwt until October 1, with only a small adjustment expected then.

Milk production has continued large, reflecting lower grain prices that have reduced feeding costs and continued low meat animal prices that have discouraged net herd liquidation. Consequently, retail prices for dairy products are expected to show only small gains through 1982, with an annual rise of 2 to 4 percent. This would be the smallest increase since at least 1977 and, if at the bottom of the range, would be the lowest since 1972.

In contrast, the price-support program for sugar will raise retail prices for sugar and foods containing sugar. Because the price support for new sugar exceeds world market prices by more than transportation costs, duties and fees on imported sugar have been increased. Still, this will have limited impact on retail prices through mid-year, because much sugar was imported before the increases. Also, lower priced sugar from Thailand continued to be available in the first quarter, because under the Generalized System of Preferences, higher duties did not affect this sugar until April 1. However, retail sugar prices will rise faster in the second half of the year after the current, less costly stocks are used up. [Paul Westcott (202) 447-8801]



## **Inputs**

### **ENERGY OUTLOOK**

Farmers can expect readily available supplies of all fuels at relatively stable prices in 1982. These conditions are linked to excess world oil production and high petroleum inventory levels due to the slowdown in worldwide economic activity and the continued improvement in energy conservation. Prices paid by farmers for gasoline, diesel fuel, and LP gas should remain stable or register only moderate increases in 1982, due to the downward pressure on world oil prices. However, natural gas and electricity prices paid by farmers will increase as much as 20 and 9 percent, respectively.

The fuel and energy share of total farm expenditures amounted to 6 percent in 1979 and over 7 percent in 1980. Stable prices are expected to reduce energy's share of farm expenditures in 1982.

### **Abundant Domestic Supplies Forecast for 1982**

In the United States, petroleum supplies should be abundant relative to anticipated use. Last year, domestic production of crude oil declined by less than 1 percent from 1980's 8.6 million barrels a day, and is projected to be around 8.4 million in 1982. However, consumption from petroleum inventories may offset production declines. Total domestic inventories have fallen from the December 1981 record of 1,222 million barrels and are projected to continue downward, reaching 1,183 million barrels by the end of 1982—down 3 percent from a year earlier.

## U.S. Petroleum Consumption, Imports, and Production

	1980	1981 <sup>1</sup>	Forecast range 1982 <sup>4</sup>
	Million barrels per day (percent change from previous year)		
Petroleum consumption			
Motor gasoline . . . . .	6.86 (-2.4)	6.57 (-4.2)	6.49 - 6.23 (-1.2) - (-0.6)
Distillate fuel oil . . . . .	2.97 (-10.3)	2.90 (-2.4)	2.99 - 3.04 (3.1) - (4.8)
Residual fuel oil . . . . .	2.55 (-9.9)	2.10 (-17.6)	1.97 - 2.05 (-6.2) - (-2.4)
Total <sup>2</sup> . . . . .	17.02 (-7.8)	16.29 (-4.3)	16.18 - 16.35 (-0.7) - (0.4)
Total Imports <sup>3</sup> . . . . .	6.83 (-19.2)	6.10 (-10.7)	6.21 - 6.40 (1.8) - (4.8)
Crude oil production . . . . .	8.60 (0.6)	8.56 (-0.6)	8.41 - 8.41 (-1.8) - (-1.8)

<sup>1</sup>Data for the first through third quarters, forecast for fourth-quarter 1981. <sup>2</sup>Includes other petroleum products. <sup>3</sup>Includes Strategic Petroleum Reserves. <sup>4</sup>The range is based on the base case and low-price petroleum projections.

The text discusses only the base case. Source: *Short-Term Energy Outlook*, November 1981, U.S. Department of Energy, Vol. 1, DOE/EIA-0202/9-1.

Responding to soft petroleum demand worldwide, domestic and global refineries have continued to operate well below capacity. U.S. refiners operated at 78 percent of capacity in 1980 and 75 percent in 1981.

U.S. petroleum consumption in 1982 is expected to decline by less than 1 percent to about 16.2 million barrels a day. If the forecast holds, 1982 will be the fourth consecutive year of declining U.S. oil consumption, which peaked in 1978. Last year, total consumption dropped about 4 percent from 1980's 17 million barrels a day.

During 1981, consumption of distillate fuel oil, which consists primarily of residential heating oil and diesel fuel, fell more than 2 percent below 1980. However, consumption in 1982 is projected to rise 3 percent, primarily because of an expected decline in inflation-adjusted prices. Nevertheless, the increase in distillate consumption is projected to be more than offset by expected declines in use of residual oil and motor gasoline—6 and 1 percent, respectively.

U.S. petroleum imports fell from 6.8 million barrels a day in 1980 to 6.1 million last year. Although imports are projected to rise nearly 2 percent during 1982 to 6.2 million barrels a day, they have continued to decline so far this year.

### Farm Energy Price Outlook Mixed

The index of fuel and energy prices paid by farmers last year rose 13 percent and is expected to rise about 1 percent in 1982. The increase was lowest for gasoline (12 percent) and highest for diesel fuel (17 percent). The 1982 outlook for farm energy prices remains somewhat uncertain, but will depend partly on how close OPEC comes to lowering oil production to its target of 18.5 million barrels a day, versus the current 20 million.<sup>1</sup>

### Average Energy Prices Paid by Farmers

	1980	1981	percent change
	\$ per gal.		
Gasoline . . . . .	1.15	1.29	+12
Diesel . . . . .	.99	1.16	+17
Fuel Oil . . . . .	.99	1.16	+17
LP Gas . . . . .	.62	.70	+13
	\$ per Kwh		
Electricity . . . . .	.047	.053	+13

Source: U.S. Department of Agriculture, *Agricultural Prices*.

Nevertheless, current indications are that gasoline and diesel prices may not rise much, if at all. Natural gas prices, on the other hand, may increase 15 to 21 percent from 1981's \$2.77 per thousand cubic feet, while electricity prices may rise 5 to 9 percent.<sup>2</sup>

### Supply Outlook for Farmers Favorable

• **Diesel Fuels.** Farmers used 3.3 and 3.4 billion gallons of diesel fuel in 1980 and 1981, respectively. Demand may rise in 1982 because of the continued switch to diesel-powered machinery. Stocks have been ample relative to demand over the last 2 years, and this situation should continue in 1982.

• **Gasoline.** Estimated gasoline consumption by the farm sector was about 3.2 billion gallons in 1981, and demand is not expected to change much this year. Gasoline stocks were abundant throughout 1981, and supplies should be adequate for farmers' needs in 1982.

• **LP Gas.** Farmers are estimated to have used nearly 1.1 billion gallons of LP gas in 1980. Nearly half of this was consumed for crop drying, with the rest going for tractors, combines, irrigation pumps, and poultry and livestock brooders. In 1981, farm consumption of LP gas—which consists primarily of propane—rose 2 percent over 1980. Propane supplies have been abundant in the international market over the last few years, although U.S. supplies remained tight until propane was deregulated in January 1981. Since decontrol of oil prices, U.S. supplies have increased and are likely to remain adequate in 1982.

• **Natural Gas.** Farm consumption of natural gas is estimated to have increased 1 percent last year from 1980's 96 billion cubic feet. Consumption is forecast to reach 100 billion cubic feet in 1982. Estimates by the Department of Energy indicate adequate supplies in the coming year, and no curtailment is anticipated. This should enable farmers to continue using natural gas for irrigation pumping, crop drying, and livestock brooding without interruptions. [Mohinder Gill (202) 447-7383]

<sup>1</sup>Washington Post, "OPEC Acts to Reduce Glut of Oil", Glenn Frankel, March 7, 1982, p. A1.

<sup>2</sup>Short-Term Energy Outlook, November 1981, U.S. Department of Energy, Vol. 1, DOE/EIA-0202/9-1.



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## Asia: Largest Market for U.S. Farm Products

In contrast to the chronic overall U.S. trade deficit with Asia,<sup>1</sup> the U.S. agricultural trade balance has been consistently favorable. The outlook for fiscal 1982 is no exception, with more U.S. agricultural goods being shipped to Asia than to any other region.

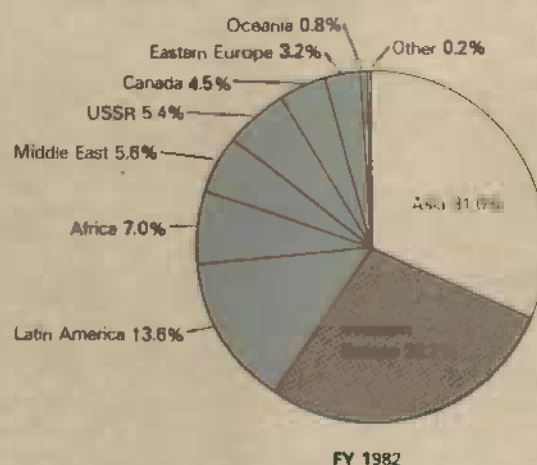
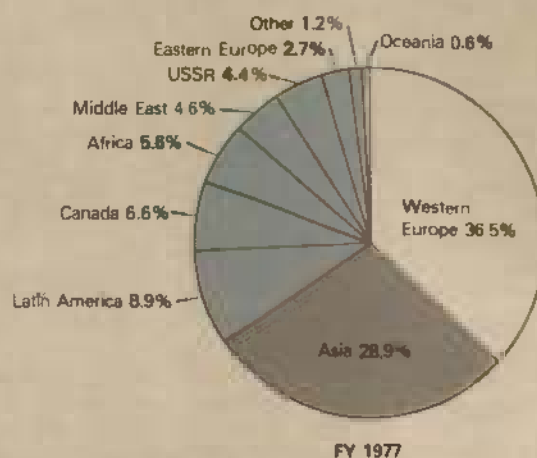
Asian countries are expected to purchase \$13.6 billion worth of U.S. farm products, or nearly a third of total U.S. shipments. Japan (\$6.0 billion), the People's Republic of China (PRC) (\$1.9 billion), South Korea (\$1.7 billion), and Taiwan (\$1.4 billion) will continue to be the main buyers in the region. However, except for Taiwan, sales to these markets will be below the fiscal 1981 records. Thus, with the major buyers setting the pace, the rapid influx of U.S. agricultural products into Asia is likely to slow. Factors responsible for the decline include:

- Strong 1981 and prospective 1982 harvests in Asia.
- Lower market prices for agricultural commodities.
- A slowdown in the livestock-feeding program of Japan, and the slow pace of China's livestock program.
- Reduced rice import requirements in Korea and Indonesia.

<sup>1</sup>Countries included—Afghanistan, Bangladesh, Burma, Hong Kong, India, Indonesia, Japan, Kampuchea, Laos, Malaysia, Nepal, Pakistan, the PRC, the Philippines, the Republic of Korea, Singapore, Sri Lanka, Thailand, Taiwan, and Vietnam. South Asia includes Afghanistan, Bangladesh, India, Nepal, Pakistan, Sri Lanka; East Asia includes all others, except where otherwise specified.

## Asia Replaces Western Europe as Largest Buyer of U.S. Farm Products

Percent of U.S. Agricultural Exports



### U.S. Farm Exports to Asia Double Since 1977

The Asian market for U.S. agricultural goods has more than doubled since fiscal 1977, expanding from \$6.9 billion to \$14.2 billion by 1981. During 1977-81, the value of exports to Japan increased about 75 percent (from \$3.8 to \$6.7 billion), while sales to the PRC leaped from \$1 million to over \$2 billion. Taiwan's purchases nearly doubled (\$612 million to \$1.1 billion), and U.S. farm exports to the other countries of East and Southeast Asia grew from \$1.9 to \$3.7 billion. With 1982 exports forecast at \$13.6 billion, Asia will have surpassed Western Europe for the fifth consecutive year.

These exports are largely commercial, with PL-480 food aid declining relative to total shipments. In fiscal 1977, \$695 million or 10 percent of U.S. exports to Asia were part of food-aid programs, whereas only \$418 million or 3 percent were provided concessionally in fiscal 1981.



Asian purchases of U.S. wheat and feed grains have grown the most rapidly, but shipments of soybeans and raw cotton have also increased significantly. In fiscal 1982, Asia is projected to remain the largest U.S. customer for wheat and products (18.4 million metric tons), feed grains (21.5 million tons), and raw cotton (1.1 million tons).

In addition, this year Asia will take 30 percent (6.7 million tons) of U.S. soybean exports, 30 percent (609,000 tons) of U.S. vegetable oil shipments, and 32 percent (98,000 tons) of U.S. tobacco exports. The quantity of these exports has risen slightly from last year's level, yet not enough to offset lower market prices.

#### Wheat Exports Up to South Asia, Down to East Asia

During fiscal 1982, the PRC will probably account for over 40 percent of Asia's wheat purchases. However, imports will be somewhat below the record 1981 level of 8 million tons. Similarly, Japan's successful effort to increase wheat production is likely to limit gains in import demand. Sales to Japan will continue in the range of 3.3-3.4 million tons. The favorable outlook for India's 1982 wheat crop is expected to hold commercial shipments during fiscal 1982 to about 1 million tons, with an additional 300,000 tons of bulgur wheat provided by PL-480, Title II. A shortfall in India's 1980 wheat output, combined with growing demand and declining stocks, forced that country to import again after halting wheat imports during the late 1970's.

#### U.S. Feed Grain Exports Face Slack Demand, Foreign Competition

Developments in Asian livestock industries propelled U.S. feed grain exports from 13 million tons in 1977 to over 21 million in 1981—a level they should maintain through 1982. Exports to Japan, 70 percent of total U.S. feed grain shipments to Asia, will be limited by the surplus-rice feeding program, which encourages the mixing of rice with corn for feed, and by slow growth in livestock production. The Japanese will probably buy about 75 percent of their feed grain requirements from the United States this year—down from the 85 percent share reached during the U.S. grain embargo, but still above the historical level of 65 percent.

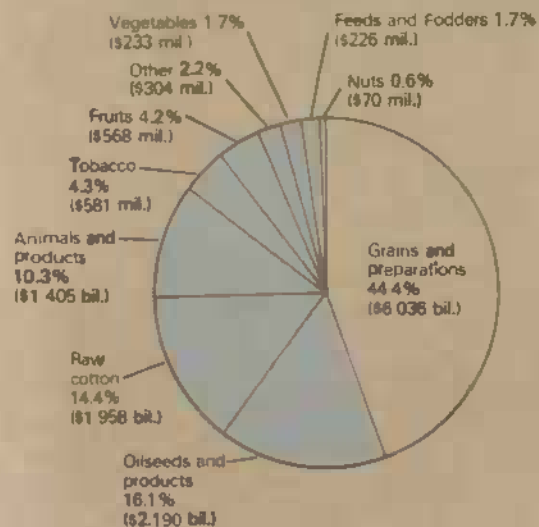
#### Asia Taking Large Portions of 1982 U.S. Crop Exports

	Asian purchases <sup>1</sup>	Total U.S. exports <sup>1</sup>	Asia as % of total
	1,000 metric tons		percent
Raw cotton . . .	1,240	1,400	89
Wheat . . . . .	18,423	47,500	39
Feed grains . . .	21,508	64,100	34
Tobacco . . . . .	98	275	36
Vegetable oils . .	609	1,850	33
Soybeans . . . . .	6,666	23,100	29

<sup>1</sup> Forecasts for FY 1982.

#### Grain Tops the List of Asia's U.S. Purchases

Composition of U.S. Farm Exports to Asia



FY 1982 Exports to Asia: \$13.6 Billion

The impact of foreign competition on U.S. exports has become significant this year. Exports of Thai and South African corn to South Korea are now expected to reach 200,000 tons, a loss of almost \$25 million in trade for U.S. suppliers. For the last 4 years, the United States has held virtually 100 percent of the Korean market.

Taiwan aims to diversify its sources of corn imports, so U.S. sales to Taiwan in 1982 will at best match last year's level, or may even decline. Despite a good corn harvest, U.S. exports to the PRC will be somewhat above the 1981 level of 725,000 tons.

#### U.S. Cotton Shipments To Increase Slightly

Despite more competitive cotton prices and increased cotton sales to nearly all countries in Asia, U.S. cotton exports to Asia in fiscal 1982 are anticipated to rise only a tenth from last year's 1.0 million tons. Depressed economic conditions worldwide are limiting textile use and trade, so cotton imports by the major Asian textile exporters are expected to rise only slightly. The United States supplies about 45 percent of Asia's cotton imports, with 84 percent of all U.S. cotton exports going to this region.

The leading Asian buyers of U.S. cotton (FY 82 forecasts in parentheses) are South Korea (330,000 tons), Japan (325,000 tons), the PRC (200,000 tons), Taiwan (175,000 tons), and Hong Kong (60,000 tons). Sales increases to these Asian markets parallel the growth of their domestic textile industries. Given the relatively low capital costs of textile mills, abundant and cheap labor, and the desire to industrialize, Asian governments view textiles as an industry in which they can compete effectively. Although Japan still imports large amounts of U.S. cotton, its textile industry has been declining because of high labor costs and the development of other export-oriented industries—such as electronic goods and automobiles.

The Multi-Fiber Arrangement, which governs international trade in textiles, was revised in 1981. The changes are expected to aid developing textile industries—such as those in the Philippines and Indonesia—while impeding growth in the more developed industries—such as those of Hong Kong, Taiwan, and South Korea. The European Community (EC) has stated that it wants to limit textile imports, primarily from Asia, to protect its own textile industries. In 1982, the EC and the United States will negotiate many of their bilateral agreements covering textile imports from Asian suppliers.

Despite this more bearish outlook for textile industries in some Asian nations, the United States will likely remain an important supplier of cotton to the region, because only India, Pakistan, and the PRC produce much cotton. The United States also has trade advantages in cotton, including:

- A wide variety of quality cotton grades, usually at competitive prices.
- Timely deliveries that aid foreign textile mills in their production plans.
- Familiarity of the region's textile mills with using U.S. cotton.

#### South Korea To Buy Less U.S. Rice

U.S. rice shipments are not anticipated to match fiscal 1981's exceptionally high level, which was due to a huge rice deficit in South Korea that pushed imports from the United States to over 1 million tons. Over 95 percent of fiscal 1982 shipments to this region will go to South Korea. The depressed price of rice has also lowered the total value of 1982 U.S. rice exports to the region. In general, the strides in Asian rice production that were made in the 1970's will continue, and, barring weather-related crop damage, the volume of U.S. rice exports should hold steady at the fiscal 1982 levels in coming years.

#### Asian Farm Output on the Rise

Increased Asian production is a major factor behind the expected decline in overall U.S. farm exports to Asia. After several years of slow agricultural growth that contributed to recent surges in U.S. exports to the region, the situation reversed during 1981. Agricultural production in Asia<sup>2</sup> rose nearly 6 percent, marking the first substantial advance in 4 years.

Even though production fluctuated widely within the region, 11 of the 15 countries for which indices of production<sup>3</sup> were calculated showed record output. India and the PRC, which account for three-quarters of the regional total, achieved new highs because of improved grain harvests in India and a combination of better grain production and record crops of cotton, oilseeds, sugar, and other cash crops in the PRC. Korea and Japan raised their output from 1980's dismal harvests, but fell short of establishing records. Only Afghanistan and Taiwan had smaller production last year. Afghanistan's downturn can be attributed to the Soviet incursion, and Taiwan is consciously reducing its rice acreage to accommodate industrial expansion.

<sup>2</sup>Does not include Hong Kong, Kampuchea, Laos, Singapore, and Vietnam

<sup>3</sup>Based on the price-weighted share at the total value of agricultural production, using 1969-71 average producer prices.

Most of the countries that achieved record 1981 output (including India and the PRC) more than maintained per-capita output. Pakistan (up 9 percent), Burma (up 8 percent), and Thailand (up 7 percent) not only substantially increased total output during 1981, but did so following record harvests in 1980. These three countries are also important agricultural exporters, so their increased supplies will compete with U.S. products.

#### 1982 Production Prospects Generally Bright

**South Asia:** The South Asian countries, where much of Asia's wheat is produced, have generally bright prospects for 1982 grain harvests. The outlook for winter wheat harvests in India and Pakistan appears favorable following generally good moisture supplies during the growing season. Despite reduced wheat acreage in Bangladesh, good wheat yields and additional winter rice plantings have improved prospects for winter food grain production. Current estimates call for wheat production to reach 52.6 million tons in South Asia this year—up nearly 2 million from last year.

Forecasting the upcoming rice crop is difficult, since the main harvest occurs late in the year and depends heavily on the monsoon. However, if rainfall is adequate, South Asia should harvest a record rice crop, with sharp upturns possible for India and Bangladesh. Drought will likely cause Sri Lanka's rice harvest to decline.

The generally favorable prospects for South Asian harvests suggest that opportunities for expanded U.S. exports into the area are limited. India has purchased wheat to rebuild depleted stocks; Bangladesh and Sri Lanka will continue to receive food grains under P.L. 480; and India and Pakistan will continue to rely on imports for a substantial portion of their vegetable oil supplies.

**Southeast and East Asia:** In most Southeast and East Asian countries, rice accounts for 40 percent or more of the value of agricultural production. Both exporters and importers of rice are producing more, thus increasing the supply of rice for world trade—and at reduced prices. Thailand and Burma will continue to offer large quantities of rice for export, while Indonesia and South Korea will need to import less during 1982 following good 1981 harvests. Japan has been successful at reducing excess rice stocks, and will export less rice in 1982 than last year.

Livestock production in the high-income East Asian markets (Japan, Korea, and Taiwan) will show some growth during 1982. Japan's livestock sector is expected to grow slightly, but will rely less on U.S. feed grains than last year. Taiwan's livestock output continues to grow rapidly, with heavy reliance on U.S. corn and soybeans. The volume of U.S. feedstuff exports to Korea is expected to remain virtually unchanged from the 1981 level, reflecting continued but relatively slow growth in livestock production.

Agricultural production in the PRC may be up again during 1982, but the rate of increase is likely to slow from recent years. U.S. agricultural exports to the PRC are expected to show little change in volume this year, and may retreat slightly in value if world prices remain depressed. [Wayne Denney and Leslie Ross (202) 447-8229]



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# Statistical Indicators

## Summary Data

### Key Statistical Indicators of the Food and Fiber Sector

	1980	1981				1982			
	Annual	I	II	III	IV	Annual	I F	II F	III F
<b>Prices received by farmers (1977=100)</b>									
Livestock and products	134	144	142	137	129	138	133	135	139
Crops	144	143	143	146	137	142	140	144	151
	125	144	141	129	121	134	125	125	124
<b>Prices paid by farmers (1977=100)</b>									
Prod. items	138	146	149	148	146	148	149	152	155
Commodities and services, int., taxes, and wages	138	148	150	151	150	150	154	157	159
<b>Cash receipts<sup>1</sup> (\$ bil.)</b>									
Livestock (\$ bil.)	136	143	143	144	141	143	138-142	136-140	142-146
Crops (\$ bil.)	67	70	69	69	67	69	67-71	66-70	70-74
	69	73	74	74	74	74	69-73	69-73	70-74
<b>Market basket (1967=100)</b>									
Retail cost	238.8	253.9	255.3	260.3	258.9	257.1	265	268	274
Farm value	239.8	247.7	244.8	252.4	240.4	246.4	244	250	258
Spread	238.3	257.5	261.4	264.9	269.8	263.4	277	279	283
Farm value/retail cost (%)	37	36	36	36	34	35	34	35	35
<b>Retail prices (1967=100)</b>									
Food	254.6	270.5	273.0	277.2	277.5	274.6	283	288	294
At home	251.5	267.2	268.4	272.5	271.6	269.9	278	282	288
Away-from home	267.0	283.9	289.4	293.6	297.0	291.0	302	308	315
<b>Agricultural exports (\$ bil.)<sup>2</sup></b>	40.5	12.6	10.5	9.0	11.3	43.6	10.5	10.4	10.3
<b>Agricultural imports (\$ bil.)<sup>2</sup></b>	17.3	4.7	4.2	3.8	4.1	17.2	4.0	4.0	3.9
<b>Livestock and products</b>									
Total livestock and products (1974=100)	109.6	109.9	113.2	111.8	113.2	112.1	108.8	112.1	110.7
Beef (mil. lb.)	21,470	5,559	5,438	5,541	5,676	22,214	5,460	5,325	5,600
Pork (mil. lb.)	16,431	4,076	3,880	3,606	4,155	15,719	3,725	3,525	3,125
Veal (mil. lb.)	379	100	94	105	115	415	105	95	100
Lamb and mutton (mil. lb.)	310	84	77	79	88	328	90	80	85
Red meats (mil. lb.)	38,590	9,819	9,488	9,332	10,035	38,675	9,395	9,025	8,910
Broilers (mil. lb.)	11,089	2,826	3,084	3,063	2,865	11,838	2,880	3,050	3,130
Turkeys (mil. lb.)	2,303	379	534	752	751	2,416	375	525	690
Total meats and poultry (mil. lb.)	51,982	13,024	13,106	13,147	13,651	52,929	2,650	12,600	12,730
Eggs (mil. dz.)	5,806	1,450	1,429	1,438	1,485	5,803	1,440	1,415	1,420
Milk (bil. lb.)	128.5	32.4	35.1	33.1	32.0	132.6	33.1	36.4	34.0
Choice steers, Omaha (\$/cwt.)	66.96	61.99	66.68	66.53	60.17	63.84	63	67-69	66-70
Barrows and gilts, 7 markets (\$/cwt.)	40.04	41.13	43.63	50.42	42.53	44.45	48	50-52	53-57
Broilers-wholesale, N.Y., 8-15 lb. hens, dressed (cts./lb.)	46.8	49.3	46.7	47.0	42.1	46.3	44-46	47-49	49-52
Turkeys-wholesale, 9-city weighted avg., dressed (cts./lb.)	63.6	61.3	63.6	62.7	55.1	60.7	54-56	56-58	64-66
Eggs, N.Y. Gr. A large, (cts./dz.)	66.6	72.6	69.1	73.3	77.8	73.2	77-79	73-75	75-76
Milk, all at farm (\$/cwt.)	13.00	13.97	13.50	13.53	14.00	13.75	13.80-13.90	13.30-13.50	13.40-13.80
<b>Crop prices at the farm<sup>3</sup></b>									
Wheat (\$/bu.)	3.91	4.16	3.91	3.63	3.81	3.70	—	—	—
Corn (\$/bu.)	3.11	3.22	3.22	2.85	2.39	2.40-2.55	—	—	—
Soybeans (\$/bu.)	7.57	7.63	7.35	6.68	6.03	5.80-6.30	—	—	—
Upland cotton (cts./lb.)	74.4	73.1	72.1	64.5	57.9	—	—	—	—

<sup>1</sup> Quarterly cash receipts are seasonally adjusted at annual rates. <sup>2</sup> Annual data are based on Oct.-Sept. fiscal years ending with the indicated year.

<sup>3</sup> Quarterly prices are simple averages; annual prices are for marketing year beginning in year indicated. F = Forecast.



## Farm Income

### Cash receipts from farming

	1981												1982
	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan
	\$ Mil.												
<b>Farm marketings and CCC loans<sup>1</sup></b>	13,826	9,531	10,303	8,525	8,815	10,459	11,476	11,125	12,912	16,847	15,134	13,112	13,535
Livestock and products . . . . .	6,305	5,413	5,966	5,503	5,631	5,778	5,822	5,555	5,938	6,199	5,576	5,586	5,369
Meat animals . . . . .	3,785	3,265	3,427	3,037	3,226	3,327	3,372	3,155	3,569	3,779	3,213	3,209	3,036
Dairy products . . . . .	1,503	1,413	1,573	1,560	1,609	1,537	1,503	1,488	1,453	1,485	1,448	1,508	1,519
Poultry and eggs . . . . .	940	663	879	812	698	811	846	813	815	836	828	776	737
Other . . . . .	77	72	87	94	98	103	101	99	101	99	89	93	77
Crops . . . . .	7,521	4,118	4,337	3,022	3,184	4,681	5,654	5,570	6,974	10,648	9,558	7,526	8,166
Food grains . . . . .	859	624	528	507	374	1,623	2,019	1,412	1,541	1,453	848	697	932
Feed crops . . . . .	2,767	1,023	1,062	192	557	952	1,046	1,043	1,254	2,319	2,857	2,082	2,424
Cotton (lint and seed) . . . . .	554	437	152	-44	-45	-36	-52	144	155	712	1,134	1,025	1,261
Tobacco . . . . .	367	39	10	28	15	0	113	575	659	490	328	627	453
Oil-bearing crops . . . . .	1,600	684	1,076	802	657	458	703	673	1,137	3,427	1,903	1,123	1,561
Vegetables and melons . . . . .	524	519	607	608	757	837	792	810	987	892	578	505	646
Fruits and tree nuts . . . . .	407	370	363	284	354	493	619	525	672	748	775	628	443
Other . . . . .	443	422	539	645	515	354	414	388	569	607	1,135	839	446
<b>Government payments . . . . .</b>	239	174	106	101	59	49	55	97	108	71	72	512	59
<b>Total cash receipts<sup>2</sup></b>	14,065	9,705	10,409	8,625	8,874	10,508	11,531	11,222	13,020	16,918	15,206	13,624	13,594

<sup>1</sup> Receipts from loans represent value of loans minus value of redemptions during the month. <sup>2</sup> Details may not add because of rounding.

### Farm marketing indexes (physical volume)

	Annual			1981						1982
	1979	1980	1981 p	Jan	Aug	Sept	Oct	Nov	Dec	Jan
	1977=100									
<b>All commodities . . . . .</b>	106	108	110	129	106	116	114	109	116	137
Livestock and products . . . . .	100	103	105	121	98	105	101	98	106	108
Crop . . . . .	113	114	114	136	113	127	126	119	125	166

# Cash receipts<sup>1</sup> from farm marketings, by States, January

State	Livestock and Products		Crops <sup>2</sup>		Total <sup>2</sup>	
	1981	1982	1981	1982	1981	1982
	in \$Mil.					
<b>North Atlantic</b>						
Maine . . . . .	20.1	20.0	23.7	10.6	43.8	30.6
New Hampshire . . . . .	5.8	5.8	2.0	2.2	7.8	8.0
Vermont . . . . .	29.8	29.0	1.3	1.3	31.2	30.3
Massachusetts . . . . .	11.1	10.5	21.1	20.4	32.1	30.9
Rhode Island . . . . .	1.1	1.1	1.3	1.4	2.5	2.5
Connecticut . . . . .	15.7	15.5	42.1	35.4	57.8	50.9
New York . . . . .	147.9	143.2	70.1	55.5	218.0	198.7
New Jersey . . . . .	11.5	10.5	13.9	15.0	25.3	25.5
Pennsylvania . . . . .	186.9	178.4	86.7	73.7	273.6	252.2
<b>North Central</b>						
Ohio . . . . .	144.9	123.3	286.0	188.7	430.9	312.0
Indiana . . . . .	171.2	136.2	391.9	313.3	563.0	449.6
Illinois . . . . .	226.5	177.3	1,020.7	883.3	1,247.2	1,060.6
Michigan . . . . .	108.8	101.6	141.7	122.7	250.5	224.2
Wisconsin . . . . .	320.2	319.9	131.3	91.8	451.4	411.7
Minnesota . . . . .	294.1	252.8	305.3	290.5	599.4	543.3
Iowa . . . . .	606.4	468.8	917.0	700.6	1,523.4	1,169.5
Missouri . . . . .	249.8	195.7	173.0	182.8	422.7	378.5
North Dakota . . . . .	90.4	68.5	98.0	163.9	186.4	232.4
South Dakota . . . . .	164.0	133.7	73.4	80.9	237.5	214.6
Nebraska . . . . .	305.4	259.8	382.3	391.4	687.7	651.2
Kansas . . . . .	246.9	212.3	267.5	251.8	514.4	464.1
<b>Southern</b>						
Delaware . . . . .	31.6	23.6	4.3	4.0	35.9	27.5
Maryland . . . . .	65.6	53.9	18.2	16.4	83.8	70.3
Virginia . . . . .	83.7	68.9	41.3	47.9	125.0	116.8
West Virginia . . . . .	14.8	13.1	6.5	5.8	21.3	18.9
North Carolina . . . . .	155.1	116.8	91.9	89.2	247.0	206.1
South Carolina . . . . .	38.8	33.3	25.1	38.8	64.0	72.0
Georgia . . . . .	172.2	134.3	60.4	61.4	232.6	195.6
Florida . . . . .	89.3	84.6	418.0	448.7	507.4	533.3
Kentucky . . . . .	112.5	97.8	264.2	374.0	376.7	471.8
Tennessee . . . . .	81.1	68.7	76.7	105.5	157.8	174.3
Alabama . . . . .	126.7	89.2	33.0	57.0	159.8	146.2
Mississippi . . . . .	86.3	65.4	125.0	181.2	211.3	246.6
Arkansas . . . . .	146.4	108.0	145.1	205.8	291.4	313.8
Louisiana . . . . .	38.7	32.5	114.9	136.5	153.6	169.0
Oklahoma . . . . .	200.3	171.3	67.7	113.8	268.0	285.1
Texas . . . . .	411.5	360.1	355.3	673.6	766.8	1,033.7
<b>Western</b>						
Montana . . . . .	64.9	49.5	81.0	89.6	145.9	139.1
Idaho . . . . .	71.6	66.3	106.2	104.7	177.8	171.0
Wyoming . . . . .	43.6	37.9	11.7	10.9	55.3	48.8
Colorado . . . . .	198.1	174.2	83.6	87.4	281.7	261.6
New Mexico . . . . .	78.9	68.0	10.8	23.9	89.7	91.8
Arizona . . . . .	84.8	82.4	171.6	260.0	256.4	342.3
Utah . . . . .	29.2	27.2	13.9	14.4	43.1	41.6
Nevada . . . . .	14.3	13.8	8.9	8.2	23.1	22.0
Washington . . . . .	80.8	74.8	171.3	168.7	252.0	243.4
Oregon . . . . .	52.0	43.4	80.9	82.2	132.9	125.6
California . . . . .	365.2	339.2	455.0	848.2	820.2	1,187.4
Alaska . . . . .	.4	.4	.4	.4	.8	.8
Hawaii . . . . .	7.8	7.3	30.6	30.6	38.4	37.9
<b>United States</b>	<b>6,304.6</b>	<b>5,369.8</b>	<b>7,521.8</b>	<b>8,166.0</b>	<b>13,826.3</b>	<b>13,535.6</b>

<sup>1</sup> Estimates as of the first of current month. <sup>2</sup> Sales of farm products include receipts from loans reported minus value of redemptions during the period. Rounded data may not add.

# Farm Prices: Received and Paid

Indexes of prices received and paid by farmers, U.S. average

	Annual			1981				1982		
	1979	1980	1981	Mar	Oct	Nov	Dec	Jan	Feb	Mar
1977=100										
<b>Prices Received</b>										
All farm products . . . . .	132	134	138	143	130	130	128	132	133	132
All crops . . . . .	116	125	133	145	119	121	122	126	123	119
Food grains . . . . .	147	165	166	177	159	161	158	157	155	150
Feed grains and hay . . . . .	114	132	141	155	121	118	121	127	124	123
Feed grains . . . . .	117	135	145	161	123	119	122	128	124	122
Cotton . . . . .	96	118	111	119	103	99	85	82	80	76
Tobacco . . . . .	118	125	140	133	144	146	151	152	152	152
Oil-bearing crops . . . . .	103	102	110	122	93	92	92	93	92	90
Fruit . . . . .	144	127	126	122	126	148	148	140	148	144
Fresh market <sup>1</sup> . . . . .	151	129	129	125	130	157	152	143	152	148
Commercial vegetables . . . . .	110	113	133	167	119	122	146	179	158	131
Fresh market . . . . .	109	110	133	175	115	120	150	191	161	126
Potatoes <sup>2</sup> . . . . .	92	128	182	203	118	128	123	124	125	126
Livestock and products . . . . .	147	144	142	141	140	138	133	137	142	145
Meat animals . . . . .	166	156	149	146	146	141	134	140	149	154
Dairy products . . . . .	124	135	142	142	144	144	144	143	142	141
Poultry and eggs . . . . .	111	112	116	118	112	117	111	114	116	118
<b>Prices paid</b>										
Commodities and services . . . . .										
Interest, taxes, and wage rates . . . . .	123	139	150	149	151	150	150	154	154	155
Production items . . . . .	125	138	148	147	147	147	145	148	151	150
Feed . . . . .	110	123	134	139	123	122	123	125	124	123
Feeder livestock . . . . .	185	177	164	169	162	160	146	152	157	167
Seed . . . . .	110	118	138	121	144	144	144	144	144	144
Fertilizer . . . . .	108	134	144	145	144	144	143	143	143	147
Agricultural chemicals . . . . .	96	102	111	109	113	113	113	113	113	119
Fuels & energy . . . . .	137	188	213	216	214	214	214	215	213	205
Farm & motor supplies . . . . .	115	134	147	144	149	150	150	151	151	151
Autos & trucks . . . . .	117	123	143	136	146	156	156	156	156	156
Tractors & self-propelled machinery . . . . .	122	136	152	146	159	159	159	159	159	161
Other machinery . . . . .	119	132	146	143	152	152	152	152	152	156
Building & fencing . . . . .	118	128	134	132	135	135	135	135	135	135
Farm services & cash rent . . . . .	117	129	137	137	142	137	137	147	147	147
Interest payable per acre on farm real estate debt . . . . .	144	179	195	195	195	195	195	218	218	218
Taxes on farm real estate . . . . .	107	114	124	124	119	124	124	132	132	132
Wage rates (seasonally adjusted) . . . . .	117	127	136	140	135	135	135	148	148	148
Production items, interest, taxes, and wage rates . . . . .	125	140	150	150	149	149	148	153	153	154
Prices received (1910-14=100) . . . . .	602	614	631	653	594	593	584	601	608	604
Prices paid, etc. (Parity Index) (1910-14=100) . . . . .	850	955	1,013	1,024	1,039	1,037	1,031	1,058	1,060	1,067
Parity ratio <sup>3</sup> . . . . .	71	65	61	64	57	57	57	57	57	57

<sup>1</sup> Fresh market for noncitrus and fresh market and processing for citrus. <sup>2</sup> Includes sweetpotatoes and dry edible beans. <sup>3</sup> Ratio of index of prices received to index of prices paid, taxes, and wage rates. (1910-14=100). p = preliminary.

# Prices received by farmers, U.S. average

	Annual <sup>a</sup>			1981				1982		
	1979	1980	1981	Mar	Oct	Nov	Dec	Jan	Feb	Mar
<b>Crops</b>										
All wheat (\$/bu.)	3.51	3.88	3.88	4.09	3.77	3.85	3.80	3.78	3.70	3.60
Rice, rough (\$/cwt.)	9.05	11.07	11.90	13.40	10.20	9.86	9.34	9.34	9.46	8.88
Corn (\$/bu.)	2.36	2.70	2.92	3.25	2.45	2.34	2.39	2.54	2.44	2.41
Sorghum (\$/cwt.)	3.91	4.67	4.72	5.17	3.90	3.87	3.95	4.09	4.08	4.03
All hay, baled (\$/ton)	56.30	67.00	68.10	69.80	64.00	64.10	65.90	68.70	70.40	70.90
Soybeans (\$/bu.)	6.86	6.75	6.92	7.59	6.06	6.03	6.00	6.13	6.04	5.88
Cotton, Upland (cts./lb.)	58.0	69.0	66.9	71.9	62.3	60.1	51.2	49.9	48.4	46.2
Potatoes (\$/cwt.)	3.16	4.78	7.02	8.12	4.38	4.51	4.56	4.63	4.78	4.86
Dry edible beans (\$/cwt.)	19.60	24.80	28.60	30.00	23.50	23.90	22.10	20.60	19.80	18.50
Apples for fresh use (cts./lb.)	14.2	17.1	13.6	12.1	16.8	17.0	17.1	15.6	17.5	17.7
Pears for fresh use (\$/ton)	276	325	263	297	218	290	281	260	304	328
Oranges, all uses (\$/box) <sup>1</sup>	3.34	3.26	3.75	3.72	2.37	4.50	4.28	4.48	4.76	4.74
Grapefruit, all uses (\$/box) <sup>1</sup>	2.97	2.73	3.44	3.79	4.18	2.65	2.36	2.27	2.75	1.78
<b>Livestock</b>										
Beef cattle (\$/cwt.)	66.30	62.50	60.80	58.20	55.70	54.50	52.00	53.60	56.10	58.30
Calves (\$/cwt.)	89.70	77.50	64.00	68.80	59.00	59.40	57.70	57.10	58.90	62.10
Hogs (\$/cwt.)	41.30	38.90	43.40	38.80	45.00	41.50	39.00	43.40	48.40	48.60
Lambs (\$/cwt.)	67.10	83.50	54.90	56.50	50.60	47.40	47.50	50.40	53.30	56.10
All milk, sold to plants (\$/cwt.)	12.00	13.10	13.80	13.80	14.00	14.00	14.00	13.90	13.80	13.70
Milk, manuf. grade (\$/cwt.)	11.10	12.00	12.75	12.90	12.90	13.00	13.00	13.00	12.80	12.80
Broilers (cts./lb.)	25.9	27.7	28.1	29.7	25.9	25.2	24.6	27.1	27.0	26.9
Eggs (cts./doz.) <sup>2</sup>	68.1	56.7	62.3	60.8	63.8	69.5	65.6	63.5	66.3	68.2
Turkeys (cts./lb.)	41.9	40.0	38.4	40.3	33.3	35.6	32.8	32.6	33.0	33.3
Wool (cts./lb.) <sup>3</sup>	86.3	88.1	94.7	91.8	89.6	90.8	65.3	80.4	80.4	83.4

<sup>1</sup> Equivalent on-tree returns. <sup>2</sup> Average of all eggs sold by farmers including hatching eggs and eggs sold at retail. <sup>3</sup> Average local market price, excluding incentive payments. <sup>a</sup> Calendar year averages. p = preliminary.

## Producer and Consumer Prices

### Consumer Price Index for all urban consumers, U.S. average (not seasonally adjusted)

	Annual				1981				1982	
	1981	Feb	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb
1967=100										
Consumer price index, all items	272.4	263.2	274.4	276.5	279.3	279.9	280.7	281.5	282.5	283.4
Consumer price index, less food	270.6	260.4	272.7	274.9	278.2	279.0	280.1	280.8	281.4	282.1
All food	274.6	270.8	276.2	277.4	278.0	277.6	277.1	277.8	281.0	283.3
Food away from home	291.0	284.7	292.4	293.7	294.8	296.2	297.2	297.7	299.8	301.2
Food at home	269.9	267.3	271.6	272.8	273.2	272.1	271.0	271.7	275.3	278.0
Meats <sup>1</sup>	257.8	256.4	259.6	262.0	263.4	262.5	259.6	258.7	257.8	260.2
Beef and veal	272.6	272.3	274.5	275.9	277.1	274.9	271.5	270.5	269.4	271.5
Pork	228.6	223.6	231.5	235.3	238.1	238.6	235.6	234.3	234.7	238.9
Poultry	198.6	203.7	204.8	202.0	199.7	196.6	192.3	191.7	194.2	195.7
Fish	357.7	355.0	356.9	356.8	362.6	360.8	358.9	359.6	373.3	373.8
Eggs	183.8	188.2	174.2	177.6	188.8	185.9	194.7	198.0	189.4	205.1
Dairy products <sup>2</sup>	243.6	242.1	244.2	243.8	244.3	244.6	245.0	245.5	245.8	246.5
Fats and oils <sup>3</sup>	267.1	267.3	269.0	269.2	268.5	268.5	262.2	261.1	261.6	260.5
Fruits and vegetables	276.3	267.3	284.4	286.1	281.6	275.2	272.0	276.4	294.7	301.5
Fresh	282.9	278.1	294.0	295.8	286.9	273.5	267.8	274.9	308.0	319.6
Processed	271.5	257.8	276.4	277.9	278.3	279.4	279.2	280.6	282.7	284.2
Cereals and bakery products	271.1	265.3	272.4	272.6	274.3	275.0	276.3	277.7	279.8	280.9
Sugar and sweets	368.3	385.4	360.0	361.3	361.4	359.9	359.1	359.3	361.6	364.2
Beverages, nonalcoholic	412.6	411.9	410.3	413.1	413.7	414.8	413.4	412.5	418.7	423.4
Apparel commodities less footwear	174.0	169.6	171.2	174.3	178.0	178.4	177.9	176.6	172.8	173.4
Footwear	200.4	194.9	199.0	200.0	202.4	204.2	205.4	205.7	202.8	202.8
Tobacco products	218.9	212.3	219.3	219.9	221.7	225.3	226.2	226.8	227.1	230.7
Beverages, alcoholic	199.5	195.9	200.5	201.4	202.5	201.4	202.3	202.7	204.0	205.6

<sup>1</sup> Beef, veal, lamb, pork, and processed meat. <sup>2</sup> Includes butter. <sup>3</sup> Excludes butter.



Producer Price Indexes, U.S. average (not seasonally adjusted)

	Annual			1981					1982	
	1979	1980	1981 p	Feb	Sept	Oct	Nov	Dec	Jan	Feb
	1967=100									
Finished goods <sup>1</sup> . . . . .	216.1	247.0	269.8	263.3	271.5	274.3	274.5	275.3	277.4	277.4
Consumer foods . . . . .	226.3	239.5	253.5	251.3	256.2	254.0	252.7	253.0	256.4	258.2
Fresh fruit . . . . .	232.6	237.6	228.4	213.7	239.7	237.9	250.8	264.4	241.6	250.8
Fresh and dried vegetables . . . . .	201.0	219.0	278.0	298.6	242.7	235.5	234.0	270.8	305.5	299.6
Eggs . . . . .	176.5	171.0	187.1	184.8	193.2	193.8	209.7	195.5	187.0	200.6
Bakery products . . . . .	221.7	247.8	268.4	263.2	272.6	272.8	273.5	274.2	275.0	276.0
Meats . . . . .	240.6	235.9	239.0	234.1	250.0	242.3	233.5	229.7	237.4	241.4
Beef and veal . . . . .	252.2	260.2	246.9	245.1	254.1	243.1	233.5	231.8	237.1	243.0
Pork . . . . .	205.0	196.7	218.1	208.7	236.4	230.7	221.1	211.1	228.5	232.7
Poultry . . . . .	188.6	193.3	193.3	209.6	190.1	176.5	174.1	167.8	170.6	175.5
Fish . . . . .	383.8	370.9	377.9	371.3	362.2	375.6	379.1	383.4	400.0	394.6
Dairy products . . . . .	211.2	230.6	245.7	245.0	245.5	247.4	246.9	247.2	247.7	248.0
Processed fruits and vegetables . . . . .	221.9	228.7	261.1	243.7	270.0	271.3	270.1	271.4	272.8	274.7
Refined sugar <sup>2</sup> . . . . .	116.3	214.4	182.6	205.9	137.8	139.4	141.7	142.3	152.8	146.9
Vegetable oil and products . . . . .	223.5	233.2	238.2	240.2	236.7	238.0	237.8	237.5	236.5	237.5
Consumer finished goods less foods . . . . .	208.2	250.8	276.3	268.5	277.4	281.6	282.0	282.8	284.4	284.1
Beverages, alcoholic . . . . .	161.4	175.8	189.3	185.8	191.0	191.1	192.6	192.4	194.2	193.3
Soft drinks . . . . .	277.1	261.0	303.6	299.1	307.8	304.9	310.8	312.6	313.1	316.1
Apparel . . . . .	160.4	172.4	185.5	180.7	188.0	187.9	188.7	189.1	190.1	191.0
Footwear . . . . .	218.0	233.1	241.2	240.7	242.9	241.6	241.1	241.7	241.4	239.2
Tobacco products . . . . .	217.7	245.7	268.3	256.1	274.5	278.0	278.0	277.9	277.9	306.4
Intermediate materials <sup>3</sup> . . . . .	242.8	280.3	306.0	298.3	309.7	309.4	309.0	309.6	311.3	311.3
Materials for food manufacturing . . . . .	223.6	264.4	260.9	273.2	254.6	250.9	249.2	247.3	252.9	254.3
Flour . . . . .	172.0	187.6	191.8	196.0	191.4	186.5	190.2	183.7	188.1	188.8
Refined sugar <sup>4</sup> . . . . .	119.3	212.9	173.5	218.1	140.6	147.9	145.4	148.3	159.9	159.9
Crude vegetable oils . . . . .	243.7	202.8	185.4	187.8	178.6	176.7	172.1	167.0	164.5	162.4
Crude materials <sup>5</sup> . . . . .	282.2	304.6	329.1	336.5	327.4	319.9	314.1	311.6	318.2	321.5
Foodstuffs and feedstuffs . . . . .	247.2	259.2	257.4	267.1	253.4	245.7	238.3	233.7	242.5	248.3
Fruits and vegetables <sup>6</sup> . . . . .	299.0	238.6	267.0	271.5	252.8	247.9	253.2	279.8	288.3	289.3
Grains . . . . .	214.8	239.0	248.4	267.5	227.0	227.8	226.5	213.6	225.2	223.2
Livestock . . . . .	260.3	252.7	248.0	244.6	257.3	244.5	231.1	225.0	236.8	251.2
Poultry, live . . . . .	194.3	202.1	201.2	220.8	196.7	185.7	175.0	171.4	186.8	197.3
Fibers, plant and animal . . . . .	209.9	271.1	242.0	268.4	206.5	211.7	198.5	188.4	198.2	193.6
Milk . . . . .	250.1	271.2	287.4	289.5	287.3	294.3	288.2	286.7	287.6	285.8
Oilseeds . . . . .	245.5	249.2	277.6	296.4	273.2	228.9	219.9	219.9	219.6	218.7
Coffee, green . . . . .	416.2	430.3	330.1	403.0	286.9	285.1	324.5	329.0	323.3	309.9
Tobacco, leaf . . . . .	207.7	222.2	n.a.	234.3	262.5	n.a.	n.a.	265.6	267.2	267.2
Sugar, raw cane . . . . .	209.8	413.0	272.7	366.1	211.7	219.3	223.7	230.1	246.9	244.4
All commodities . . . . .	235.6	268.8	293.4	287.6	295.7	296.1	295.5	295.9	298.2	298.5
Industrial commodities . . . . .	236.5	274.8	304.1	295.7	307.4	309.0	309.1	310.1	311.7	311.4
All foods <sup>7</sup> . . . . .	266.3	244.5	251.9	235.7	251.7	249.4	247.8	248.0	252.0	253.5
Farm products and processed foods and feeds . . . . .	229.8	244.7	251.5	255.1	250.3	246.0	242.7	241.2	246.2	248.5
Farm products . . . . .	241.4	249.4	254.9	262.4	251.1	243.1	237.4	234.5	242.1	247.1
Processed foods and feeds . . . . .	222.5	241.2	248.7	250.2	248.9	246.6	244.7	244.0	247.4	248.3
Cereal and bakery products . . . . .	210.3	236.0	255.5	252.1	258.5	256.9	257.5	255.9	256.6	255.3
Sugar and confectionery . . . . .	214.7	322.5	276.8	323.2	246.8	246.7	249.0	250.9	260.8	260.3
Beverages . . . . .	210.7	233.0	247.5	244.8	249.1	250.0	250.8	251.5	253.5	254.2

<sup>1</sup>Commodities ready for sale to ultimate consumer. <sup>2</sup>Consumer size packages, Dec. 1977=100. <sup>3</sup>Commodities requiring further processing to become finished goods. <sup>4</sup>For use in food manufacturing. <sup>5</sup>Products entering market for the first time which have not been manufactured at that point. <sup>6</sup>Fresh and dried. <sup>7</sup>Includes all raw, intermediate, and processed foods (excludes soft drinks, alcoholic beverages, and manufactured animal feeds). n.a. = not available.

Note: Annual historical data on consumer and producer food price indexes may be found in *Food Consumption, Prices and Expenditures*, Statistical Bulletin 672, ERS, USOA.

# Farm-Retail Price Spreads

## Market basket of farm foods

	Annual			1981					1982	
	1979	1980	1981 p	Feb	Sept	Oct	Nov	Dec	Jan	Feb
<b>Market basket<sup>1</sup>:</b>										
Retail cost (1967=100) . . . . .	222.7	238.8	257.1	254.0	260.8	259.5	258.3	259.1	262.4	265.1
Farm value (1967=100) . . . . .	227.3	239.8	246.4	246.9	248.7	245.3	239.9	236.1	238.4	246.8
Farm-retail spread (1967=100) . . . .	220.0	238.9	263.4	258.2	267.9	267.7	269.2	272.2	277.8	275.8
Farm value/retail cost (%) . . . . .	37.8	37.2	35.5	36.0	35.3	35.0	34.4	33.7	33.4	34.5
<b>Meat products:</b>										
Retail cost (1967=100) . . . . .	241.9	248.8	257.8	256.4	263.4	262.5	259.6	258.7	257.8	260.0
Farm value (1967=100) . . . . .	234.6	234.0	235.5	226.5	249.5	241.9	224.9	221.2	216.3	236.1
Farm-retail spread (1967=100) . . . .	250.4	266.1	284.0	291.4	279.4	286.6	300.2	302.6	306.4	288.4
Farm value/retail cost (%) . . . . .	52.3	50.7	49.3	47.6	51.1	49.7	46.7	46.1	45.3	49.0
<b>Dairy products:</b>										
Retail cost (1967=100) . . . . .	207.0	227.4	243.6	242.1	244.3	244.6	245.0	245.5	245.8	246.5
Farm value (1967=100) . . . . .	229.8	251.1	265.9	267.7	266.6	265.9	267.3	265.3	263.4	265.6
Farm-retail spread (1967=100) . . . .	187.1	206.6	224.1	219.7	224.9	225.9	225.4	228.2	140.2	139.9
Farm value/retail cost (%) . . . . .	51.9	51.6	51.0	51.7	51.6	50.8	51.0	50.5	50.1	50.4
<b>Poultry:</b>										
Retail cost (1967=100) . . . . .	181.5	190.8	198.6	203.7	199.7	196.6	192.3	191.7	194.2	195.7
Farm value (1967=100) . . . . .	203.8	211.9	210.2	223.9	203.0	190.8	190.2	183.0	196.5	196.7
Farm-retail spread (1967=100) . . . .	160.0	170.3	187.4	764.2	196.5	202.2	194.4	200.1	191.9	194.8
Farm value/retail cost (%) . . . . .	55.2	54.6	52.0	54.0	50.0	47.7	48.8	46.9	49.8	49.4
<b>Eggs:</b>										
Retail cost (1967=100) . . . . .	172.8	169.7	183.8	188.2	188.8	185.9	194.7	198.0	189.4	205.1
Farm value (1967=100) . . . . .	194.2	184.3	206.5	205.8	215.7	214.0	236.3	219.5	211.2	219.2
Farm-retail spread (1967=100) . . . .	142.0	148.6	150.9	163.0	149.6	145.3	134.6	166.9	155.7	184.7
Farm value/retail cost (%) . . . . .	66.4	64.2	68.4	64.6	67.5	68.0	71.7	66.5	65.9	63.2
<b>Cereal and bakery products:</b>										
Retail cost (1967=100) . . . . .	220.2	246.4	271.1	265.3	274.3	275.0	276.3	277.7	279.8	280.9
Farm value (1967=100) . . . . .	189.9	221.4	217.7	236.4	204.2	203.0	207.2	200.9	205.1	203.7
Farm-retail spread (1967=100) . . . .	226.3	251.6	282.1	271.3	288.8	289.9	290.6	293.6	295.3	296.9
Farm value/retail cost (%) . . . . .	14.8	15.4	13.8	15.3	12.8	12.6	12.9	12.4	12.6	12.4
<b>Fresh fruits:</b>										
Retail cost (1967=100) . . . . .	258.5	271.8	286.1	260.6	320.0	301.7	284.4	275.9	284.4	302.1
Farm value (1967=100) . . . . .	237.6	245.0	251.6	205.8	285.3	352.0	346.6	326.5	308.4	352.6
Farm-retail spread (1967=100) . . . .	267.9	283.8	301.6	285.2	335.6	279.1	256.5	253.2	273.6	279.4
Farm value/retail cost (%) . . . . .	28.5	27.9	27.2	24.5	27.6	36.2	37.8	36.7	33.6	32.6
<b>Fresh vegetables:</b>										
Retail costs (1967=100) . . . . .	222.5	242.2	287.4	298.0	268.6	258.8	260.1	279.8	337.3	346.2
Farm value (1967=100) . . . . .	204.3	216.1	279.9	319.1	232.3	208.4	218.5	242.0	315.9	318.9
Farm-retail spread (1967=100) . . . .	231.1	254.5	290.9	288.1	285.7	279.5	279.7	297.2	347.3	359.0
Farm value/retail cost (%) . . . . .	29.4	28.5	31.2	34.2	27.6	26.0	27.0	28.0	30.0	29.5
<b>Processed fruits and vegetables:</b>										
Retail cost (1967=100) . . . . .	226.6	242.5	271.5	257.8	278.3	279.4	279.2	280.6	282.7	284.2
Farm value (1967=100) . . . . .	235.3	243.5	288.7	260.0	298.5	293.5	294.8	291.2	285.3	279.6
Farm-retail spread (1967=100) . . . .	224.7	242.2	267.7	257.3	273.8	276.3	276.2	278.2	282.3	285.2
Farm value/retail costs (%) . . . . .	18.8	18.2	19.3	18.3	19.4	19.0	19.0	18.8	18.3	17.8
<b>Fats and oils:</b>										
Retail cost (1967=100) . . . . .	226.3	241.2	267.1	267.3	268.5	265.5	262.2	261.1	261.6	260.5
Farm value (1967=100) . . . . .	278.0	250.3	261.3	288.1	225.4	221.3	224.6	213.0	205.2	200.1
Farm-retail spread (1967=100) . . . .	206.4	237.7	269.4	259.3	285.1	286.7	278.7	279.8	283.3	283.7
Farm value/retail cost (%) . . . . .	34.1	28.8	27.2	29.9	23.3	22.9	23.8	22.6	21.8	21.3

<sup>1</sup> Retail costs are based on indexes of retail prices for domestically produced farm foods from the CPI-U published monthly by the Bureau of Labor Statistics. The farm value is the payment to farmers for quantity of farm product equivalent to retail unit, less allowance for byproduct. Farm values are based on prices at first point of sale and may include marketing charges such as grading and packing for some commodities. The farm-retail spread, the difference between the retail price and the farm value, represents charges for assembling, processing, transporting, and distributing these foods.

Note: Annual historical data on farm-retail price spreads may be found in *Food Consumption, Prices and Expenditures*, Statistical Bulletin 672, ERS, USDA.

## Farm-retail price spreads

	Annual			1981					1982	
	1979	1980	1981	Feb	Sept	Oct	Nov	Dec	Jan	Feb
<b>Beef, Choice:</b>										
Retail price <sup>1</sup> (cts./lb.)	226.3	237.6	238.7	237.5	243.8	241.5	239.0	238.0	236.9	238.0
Net carcass value <sup>2</sup> (cts.)	150.5	155.4	149.3	144.6	153.9	144.2	142.1	141.0	145.1	150.0
Net farm value <sup>3</sup> (cts.)	140.8	145.0	138.5	133.9	142.8	133.4	131.4	128.6	131.8	139.8
Farm-retail spread (cts.)	85.5	92.6	100.2	103.6	101.0	108.1	107.6	109.4	105.1	98.2
Carcass-retail spread <sup>4</sup> (cts.)	75.8	82.2	89.4	92.9	89.9	97.3	96.9	97.0	91.8	88.0
Farm-carcass spread <sup>5</sup> (cts.)	9.7	10.4	10.8	10.7	11.1	10.8	10.7	12.4	13.3	10.2
Farm value/retail Price (%)	62	61	58	56	59	55	55	54	56	59
<b>Pork:<sup>1</sup></b>										
Retail Price <sup>1</sup> (cts./lb.)	144.1	139.4	152.4	148.4	159.5	160.4	158.2	157.4	158.2	160.7
Wholesale value <sup>2</sup> (cts.)	100.4	96.0	106.7	104.8	112.7	107.9	105.3	103.5	107.0	108.8
Net farm value <sup>3</sup> (cts.)	66.6	63.2	70.3	67.3	78.3	71.8	66.8	63.5	72.6	78.3
Farm-retail spread (cts.)	77.5	67.2	82.1	81.1	81.2	88.6	91.4	93.9	85.6	82.4
Wholesale-retail spread <sup>4</sup> (cts.)	43.7	41.4	45.7	43.8	46.8	52.5	52.9	53.9	51.2	51.9
Farm-wholesale spread <sup>5</sup> (cts.)	33.8	34.8	36.4	37.3	34.4	36.1	38.5	40.0	34.4	30.5
Farm value/retail Price (%)	46	45	46	45	49	45	42	40	46	49

<sup>1</sup> Estimated weighted average price of retail cuts from pork and yield grade 3 beef carcasses. Retail prices from BLS. <sup>2</sup> Value of carcass quantity equivalent to 1 lb. of retail cuts-beef adjusted for value of fat and bone byproducts. <sup>3</sup> Market value to producer for quantity of live animal equivalent to 1 lb. retail cuts minus value of byproducts. <sup>4</sup> Represents charges for retailing and other marketing services such as fabricating, wholesaling, and in-city transportation. <sup>5</sup> Represents charges made for livestock marketing, processing and transportation to city where consumed.

## Livestock and Products

### Poultry and eggs

	Annual			1981					1982	
	1979	1980	1981	Feb	Sept	Oct	Nov	Dec	Jan	Feb
<b>Eggs</b>										
Farm production (mil.)	69,325	69,671	69,633	5,404	5,664	5,902	5,840	6,079	5,958	5,333
Average number of layers on farms (mil.)	289	288	287	291	286	288	291	292	290	288
Rate of lay (eggs per layer)	240	242	243	18.6	19.9	20.5	20.1	20.8	20.5	18.5
Cartoned price, New York, grade A large (cts./doz.) <sup>1</sup>	68.2	66.9	73.2	60.0	74.7	75.7	81.9	78.1	81.4	—
Price of laying feed (\$/ton)	168	188	210	219	203	197	194	196	193	195
Egg-feed price ratio (lb.) <sup>2</sup>	6.9	6.0	6.0	5.7	6.4	6.5	7.2	6.7	6.6	6.8
Stocks, beginning of period:										
Shell (thou. cases)	38	38	31	28	20	19	21	38	35	28
Frozen (mil. lb.)	25.3	23.4	24.3	24.3	27.2	25.5	25.6	23.7	21.6	21.2
Replacement chicks hatched (mil.)	519	485	454	36.1	32.3	35.9	33.7	33.1	36.0	35.5
<b>Broilers</b>										
Federally inspected slaughter, certified (mil. lb.)	10,916	11,175	11,838	849.7	1,025.0	1,026.9	867.1	963.0	908.3	—
Wholesale price, 9-city, (cts./lb.)	44.4	46.8	46.3	50.3	43.6	43.7	42.5	40.1	45.2	44.5
Price of broiler grower feed (\$/ton)	189	207	227	238	222	214	213	210	211	209
Broiler-feed price ratio (lb.) <sup>2</sup>	2.8	2.7	2.6	2.6	2.4	2.4	2.4	2.3	2.6	2.6
Stocks, beginning of period (mil. lb.)	20.1	30.6	22.4	27.0	33.6	31.5	31.9	30.0	32.6	29.7
Average weekly placements of broiler chicks, 21 States (mil.)	76.8	77.9	77.1	80.3	76.8	72.6	72.4	78.0	78.2	80.4
<b>Turkeys</b>										
Federally inspected slaughter, certified (mil. lb.)	2,182	2,263	2,416	118.6	270.6	290.1	275.9	204.1	129.7	—
Wholesale price, New York, 8-16 lb. young hens (cts./lb.)	68.1	63.6	60.7	60.7	59.5	56.4	57.3	51.7	53.6	55.8
Price of turkey grower feed (\$/ton)	202	223	249	255	248	239	233	229	224	227
Turkey-feed price ratio (lb.) <sup>2</sup>	4.1	3.5	3.1	3.1	3.1	2.8	3.1	2.9	2.9	2.9
Stocks, beginning of period (mil. lb.)	175.1	240.0	198.0	138.8	466.0	532.1	528.1	305.1	238.4	236.9
Poults hatched (mil.)	180.0	188.7	186.7	16.5	8.2	9.6	9.8	12.0	13.4	14.6

<sup>1</sup> Price of cartoned eggs to volume buyers for delivery to retailers. <sup>2</sup> Pounds of feed equal in value to 1 dozen eggs or 1 lb. of broiler or turkey live-weight. <sup>3</sup> 19 States as of July 11, 1981. <sup>4</sup> 21 States prior to July 11, 1981.

# Meat animals

	Annual			1981					1982	
	1979	1980	1981	Feb	Sept	Oct	Nov	Dec	Jan	Feb
<b>Cattle on feed (7-States)</b>										
Number on feed (thou. head) <sup>1</sup>	9,226	8,454	7,863	7,505	6,289	6,596	7,113	7,328	7,201	7,055
Placed on feed (thou. head)	19,877	18,348	17,814	1,190	1,845	2,047	1,617	1,291	1,457	1,320
Marketings (thou. head)	18,793	17,448	17,168	1,440	1,432	1,445	1,295	1,330	1,522	1,413
Other disappearance (thou. head)	1,856	1,489	1,263	129	86	85	107	88	81	93
<b>Beef steer-corn price ratio</b>										
Omaha (bu.) <sup>2</sup>	28.7	25.1	22.2	19.3	26.0	25.2	25.0	25.0	24.6	25.9
Hog-corn price ratio, Omaha (bu.) <sup>2</sup>	18.1	14.6	15.5	13.3	19.8	18.7	17.5	16.8	18.4	20.1
<b>Commercial slaughter (thou. head)<sup>3</sup></b>										
Cattle	33,678	33,807	34,953	2,659	3,024	3,126	2,855	3,012	2,936	2,744
Steers	17,363	17,158	17,496	1,364	1,427	1,479	1,364	1,497	1,483	1,410
Heifers	9,725	9,593	10,028	766	934	944	828	813	807	724
Cows	5,923	6,332	6,649	476	587	634	602	645	593	557
Bulls and stags	639	724	780	53	76	69	60	57	53	52
Calves	2,824	2,588	2,798	210	261	271	247	284	251	231
Sheep and lambs	5,017	5,579	6,008	440	570	574	490	535	520	499
Hogs	89,099	96,074	91,575	7,196	7,612	8,143	7,600	8,282	7,163	6,595
<b>Commercial production (mil. lb.)</b>										
Beef	21,261	21,470	22,214	1,722	1,892	1,971	1,803	1,902	1,854	1,716
Veal	410	379	415	30	38	40	35	40	35	32
Lamb and mutton	284	310	328	26	30	31	27	30	29	28
Pork	15,270	16,431	15,719	1,235	1,287	1,391	1,319	1,445	1,234	1,116

\$ per cwt.

## Market Prices

<b>Slaughter cattle:</b>										
Choice steers, Omaha	67.75	66.96	63.84	61.50	65.37	61.45	59.81	59.24	60.75	63.54
Utility cows, Omaha	50.10	45.73	41.93	43.67	42.47	40.61	37.70	36.65	36.64	38.11
Choice vealers, S. St. Paul	91.41	75.53	77.16	78.00	77.30	71.75	68.88	67.50	69.00	67.50
<b>Feeder cattle:</b>										
Choice, Kansas City, 600-700 lb.	83.08	75.23	66.24	70.40	66.16	64.07	64.02	60.06	60.08	63.28
<b>Slaughter hogs:</b>										
Barrows and gilts, 7-markets <sup>3</sup>	42.08	40.04	44.45	42.39	49.68	45.62	42.20	40.06	45.63	49.49
<b>Feeder pigs:</b>										
S. Mo. 40-50 lb. (per head)	35.26	30.14	35.40	36.88	40.23	34.20	31.88	29.11	31.70	39.96
<b>Slaughter sheep and lambs:</b>										
Lambs, Choice, San Angelo	68.75	66.42	58.40	57.75	52.30	54.25	48.50	—	51.50	53.50
Ewes, Good, San Angelo	32.82	24.68	26.15	34.12	21.00	24.50	24.92	25.25	28.50	26.50
<b>Feeder lambs:</b>										
Choice, San Angelo	77.53	68.36	56.86	62.25	51.40	51.62	49.33	50.94	50.44	53.25
<b>Wholesale meat prices, Midwest</b>										
Choice steer beef, 600-700 lb.	101.62	104.44	99.84	96.08	102.96	96.02	94.56	93.70	97.42	101.24
Canner and Cutter cow beef	100.23	92.45	84.06	91.12	84.82	78.98	76.04	73.99	74.80	78.44
Pork loins, 8-14 lb.	91.35	84.87	96.56	96.36	104.56	98.77	90.92	86.56	105.74	102.17
Pork bellies 12-14 lb.	46.00	43.78	52.29	50.18	60.07	55.43	56.68	51.35	62.22	67.84
Hams, skinned, 14-17 lb.	77.04	73.34	77.58	67.42	84.67	84.20	86.14	86.31	74.03	78.40

	Annual			1980		1981				1982	
	1979	1980	1981	III	IV	I	II	III	IV	I	II
<b>Cattle on feed (23 States):</b>											
Number on feed (thou. head) <sup>1</sup>	12,681	11,713	11,105	9,620	9,965	11,105	9,768	9,570	9,032	10,099	—
Placed on feed (thou. head)	26,061	24,572	23,734	6,359	7,366	5,179	5,963	5,693	6,899	—	—
Marketings (thou. head)	24,625	23,198	23,014	5,716	5,703	6,014	5,661	5,950	5,449	5,927	—
Other disappearance (thou. head)	2,404	1,982	1,726	298	523	502	560	281	383	—	—
<b>Hogs and pigs (14-States):<sup>4</sup></b>											
Inventory (thou. head) <sup>1</sup>	51,130	57,130	54,780	54,840	55,160	54,780	50,105	51,205	52,160	50,800	44,940
Breeding (thou. head) <sup>1</sup>	8,102	8,055	7,682	7,853	7,422	7,682	7,219	7,105	7,056	6,709	6,218
Market (thou. head) <sup>2</sup>	43,268	49,075	47,098	46,987	47,738	47,098	42,886	44,100	45,104	44,091	38,722
Farrowings (thou. head)	12,317	11,851	10,920	2,838	2,917	2,434	3,075	2,735	2,676	2,197	2,646
Pig crop (thou. head)	87,393	85,915	80,721	20,382	21,211	17,609	23,202	20,153	19,757	15,615	—

<sup>1</sup> Beginning of period. <sup>2</sup> Bushels of corn equal in value to 100 pounds liveweight. <sup>3</sup> 220-240 lb. Beginning in January 230-240 lb. <sup>4</sup> Quarters are Dec. preceding year-Feb. (I), Mar.-May (II), June-Aug. (III), and Sept.-Nov. (IV). <sup>5</sup> Intentions. <sup>6</sup> Classes estimated.



# Dairy

	Annual			1981					1982	
	1979	1980	1981	Feb	Sept	Oct	Nov	Dec	Jan	Feb
<b>Milk production:</b>										
Total milk (mil. lb.)	123,411	128,525	132,634	10,129	10,638	10,751	10,384	10,847	11,047	10,311
Milk per cow (lb.)	11,488	11,889	12,147	931	972	981	946	986	1,003	937
Number of milk cows (thou.)	10,743	10,810	10,919	10,880	10,948	10,963	10,982	10,998	11,015	11,003
<b>Milk prices, Minnesota-Wisconsin,</b>										
3.5% fat (\$/cwt.) <sup>1</sup>	10.91	11.88	12.57	12.66	12.46	12.52	12.52	12.56	12.55	12.46
Price of 16% dairy ration (\$/ton)	156	177	192	201	185	183	179	182	181	180
Milk-feed price ratio (lb.) <sup>2</sup>	1.54	1.47	1.44	1.40	1.48	1.53	1.58	1.55	1.55	1.54
<b>Stocks, beginning</b>										
Total milk equiv. (mil. lb.) <sup>3</sup>	8,730	8,599	12,958	13,806	20,508	19,764	19,146	18,620	18,298	18,265
Commercial (mil. lb.)	4,475	5,419	5,752	5,818	5,831	5,206	5,494	5,135	5,318	5,656
Government (mil. lb.)	4,254	3,180	7,207	7,987	14,677	14,558	13,651	13,485	12,980	12,609
Imports, total equiv. (mil. lb.) <sup>3</sup>	2,304	2,107	2,325	125	180	214	248	413	187	n.a.
USDA net removals:										
Total milk equiv. (mil. lb.) <sup>3</sup>	2,119	8,800	12,861	1,451.0	429.4	756.1	244.9	647.5	1,484.4	1,552.9
<b>Butter:</b>										
Production (mil. lb.)	984.6	1,145.3	1,236.8	110.1	86.3	100.5	94.2	108.9	128.3	n.a.
Stocks, beginning (mil. lb.)	206.9	177.8	304.6	332.1	515.6	490.0	470.0	451.1	429.2	430.3
Wholesale price, Grade A Chd. (cts./lb.)	122.4	139.3	148.0	147.2	148.5	150.6	148.9	148.1	147.5	147.5
USDA net removals (mil. lb.)	81.6	257.0	351.5	49.3	6.9	23.5	3.0	17.9	55.1	56.7
Commercial disappearance (mil. lb.)	895.0	878.8	877.8	49.5	87.4	57.0	100.8	87.1	62.9	n.a.
<b>American cheese</b>										
Production (mil. lb.)	2,189.9	2,374.6	2,584.8	198.1	188.2	198.4	191.3	217.0	218.4	n.a.
Stocks, beginning (mil. lb.)	378.8	406.6	591.5	622.6	903.5	886.4	872.4	866.1	899.1	875.2
Wholesale price, Wls. assembly pt. (cts./lb.)	123.8	133.0	139.4	139.2	139.7	140.9	141.3	139.4	138.3	137.4
USDA net removals (mil. lb.)	40.2	349.7	563.0	43.5	28.6	27.2	18.0	28.0	32.9	38.3
Commercial disappearance (mil. lb.)	2,113.1	2,023.9	2,090.8	153.9	203.1	179.5	184.7	175.8	185.2	n.a.
<b>Other Cheese:</b>										
Production (mil. lb.)	1,527.3	1,608.5	1,619.7	118.4	136.3	140.4	135.0	148.4	128.6	n.a.
Stocks, beginning (mil. lb.)	78.4	105.6	99.3	97.0	103.2	95.7	91.1	87.1	86.6	85.4
Commercial disappearance (mil. lb.)	1,730.4	1,827.9	1,860.0	138.5	164.2	166.6	163.3	195.9	148.0	n.a.
<b>Nonfat dry milk:</b>										
Production (mil. lb.)	908.7	1,160.7	1,305.8	95.3	94.5	90.4	88.2	109.6	104.1	n.a.
Stocks, beginning (mil. lb.)	585.1	485.2	586.8	579.0	805.9	809.0	835.2	861.5	889.7	908.2
Wholesale price, avg. manf. (cts./lb.)	80.0	88.7	93.9	93.6	93.9	94.4	94.2	94.0	93.6	n.a.
USDA net removals (mil. lb.)	255.3	634.3	851.3	60.7	54.0	65.3	45.0	64.3	71.1	71.9
Commercial disappearance (mil. lb.)	603.1	538.9	455.6	23.1	57.7	28.8	51.2	34.8	32.1	n.a.
<b>Frozen dessert production (mil. gal.)<sup>4</sup></b>	1,152.1	1,166.1	1,166.9	80.5	103.3	89.3	78.3	77.7	69.1	n.a.

<sup>1</sup> Manufacturing grade milk. <sup>2</sup> Pounds of 16% protein ration equal in value to 1 pound of milk. <sup>3</sup> Milk equivalent, fat-solids basis. <sup>4</sup> Ice cream, ice milk, and sherbert. n.a. = not available.

# Wool

	Annual			1981					1982	
	1979	1980	1981	Feb	Sept	Oct	Nov	Dec	Jan	Feb
<b>U.S. wool price, Boston<sup>1</sup> (cts./lb.)</b>	281	245	278	268	283	283	283	283	275	263
<b>Imported wool price, Boston<sup>2</sup> (cts./lb.)</b>	257	265	292	297	290	289	294	295	283	282
<b>U.S. mill consumption, scoured</b>										
Apparel wool (thou. lb.)	106,533	113,423	127,752	11,040	11,438	9,364	9,386	11,224	9,459	n.a.
Carpet wool (thou. lb.)	10,513	10,020	10,567	796	1,146	1,115	711	972	685	n.a.

<sup>1</sup> Wool price delivered at U.S. mills, clean basis, Graded Territory 64's (20.60-22.04 microns) staple 2 3/4" and up. Prior to January 1976 reported as: Territory fine, good French combing and staple. <sup>2</sup> Wool price delivered at U.S. mills, clean basis, Australian 60/62's, type 64A (24 micron), including duty (25.5 cents). Duty in 1982 is 10.0 cents. Prior to January 1976 reported as: Australian 64's combing, excluding, n.a. = not available.

# Crops and Products

## Feed grains

	Marketing year <sup>1</sup>			1981					1982	
	1978/79	1979/80	1980/81	Feb	Sept	Oct	Nov	Dec	Jan	Feb
<b>Wholesale prices:</b>										
Corn, No. 2 yellow, Chicago (\$/bu.) . . . . .	2.54	2.81	3.38	3.49	2.72	2.61	2.60	2.52	2.63	2.63
Sorghum, No. 2 yellow, Kansas City (\$/cwt.) . . . . .	4.00	4.65	5.36	5.52	4.16	4.14	4.14	4.28	4.44	4.26
Barley, feed, Minneapolis (\$/bu.) . . . . .	1.80	2.16	2.60	2.90	2.21	2.26	2.31	2.06	2.20	2.27
Barley, malting, Minneapolis (\$/bu.) <sup>2</sup> . . . . .	2.38	2.87	3.64	3.83	3.05	3.02	3.07	2.92	3.00	3.14
<b>Exports:</b>										
Corn (mil. bu.) . . . . .	2,133	2,433	2,355	201	151	196	176	174	152	n.a.
Feed grains (mil. metric tons) <sup>3</sup> . . . . .	60.2	71.3	69.4	6.1	4.9	6.1	5.1	5.4	4.8	n.a.
	Marketing year <sup>1</sup>			1980			1981			
	1978/79	1979/80	1980/81	Apr-May	June-Sept	Oct-Dec	Jan-Mar	Apr-May	June-Sept	Oct-Dec p
<b>Corn:</b>										
Stocks, beginning (mil. bu.) . . . . .	1,111	1,304	1,618	4,857	3,670	1,618	5,859	3,987	2,774	1,034
Domestic use:										
Feed (mil. bu.) . . . . .	4,324	4,519	4,139	682	979	1,523	1,100	685	831	1,620
Food, seed, ind. (mil. bu.) . . . . .	620	675	735	119	272	152	140	133	311	170
<b>Feed grains:<sup>3</sup></b>										
Stocks, beginning (mil. metric tons) . . . . .	41.4	46.2	52.4	144.1	107.9	60.4	172.9	117.4	80.7	45.5
Domestic use:										
Feed (mil. metric tons) . . . . .	135.9	138.7	123.0	20.3	30.4	45.5	32.1	20.8	24.8	49.1
Food, seed, ind. (mil. metric tons) . . . . .	20.9	22.3	23.6	4.3	8.5	5.0	4.7	4.6	9.5	5.4

<sup>1</sup> Beginning October 1 for corn and sorghum; June 1 for oats and barley. <sup>2</sup> No. 3 or better, 65% or better, plump beginning October 1977. <sup>3</sup> Aggregated data for corn, sorghum, oats, and barley. p = preliminary. n.a. = not available.

## Food grains

	Marketing year <sup>1</sup>			1981					1982	
	1978/79	1979/80	1980/81	Feb	Sept	Oct	Nov	Dec	Jan	Feb
<b>Wholesale prices:</b>										
Wheat, No. 1 HRW, Kansas City (\$/bu.) <sup>2</sup> . . . . .	3.38	4.25	4.45	4.47	4.19	4.31	4.46	4.35	4.33	4.26
Wheat, DNS, Minneapolis (\$/bu.) <sup>3</sup> . . . . .	3.17	4.16	4.46	4.53	4.07	4.22	4.29	4.15	4.21	4.17
Flour, Kansas City (\$/cwt.) . . . . .	7.81	10.03	10.35	10.40	10.20	10.02	10.31	10.05	10.64	10.70
Flour, Minneapolis (\$/cwt.) . . . . .	8.17	10.27	10.98	11.11	10.59	10.52	10.68	10.34	10.76	10.95
Rice, S.W. La. (\$/cwt.) <sup>3</sup> . . . . .	18.40	22.15	25.95	27.25	24.30	23.25	21.90	20.75	19.80	18.60
<b>Wheat:</b>										
Exports (mil. bu.) . . . . .	1,194	1,375	1,510	131	198	159	129	139	—	—
Mill grind (mil. bu.) . . . . .	622	630	647	51	55	56	51	50	—	—
Wheat flour production (mil. cwt.) . . . . .	278	283	290	23	24	25	23	23	—	—
	Marketing year <sup>1</sup>			1980			1981			
	1978/79	1979/80	1980/81	Apr-May	June-Sept	Oct-Dec	Jan-Mar	Apr-May	June-Sept	Oct-Dec
<b>Wheat:</b>										
Stocks, beginning (mil. bu.) . . . . .	1,178	924	902	1,225	902	2,472	1,903	1,329	989	2,734
Domestic use:										
Food (mil. bu.) . . . . .	592	596	614	95	197	167	153	96	203	159
Feed and seed (mil. bu.) <sup>4</sup> . . . . .	245	187	166	35	89	31	21	24	224	-25
Exports (mil. bu.) . . . . .	1,194	1,375	1,510	193	518	371	400	220	622	427

<sup>1</sup> Beginning June 1 for wheat and August 1 for rice. <sup>2</sup> Ordinary protein. <sup>3</sup> Long-grain, milled basis. <sup>4</sup> Feed use approximated by residual.

## Fats and oils

	Marketing year <sup>1</sup>			1981					1982	
	1978/79	1979/80	1980/81	Feb	Sept	Oct	Nov	Dec	Jan	Feb
<b>Soybeans:</b>										
Wholesale price, No. 1 yellow, Chicago (\$/bu.)	7.09	6.46	7.59	7.32	6.50	6.30	6.30	6.23	6.31	6.16
Crushings (mil. bu.)	1,017.8	1,123.0	1,020.5	79.6	75.4	104.5	97.6	102.5	95.1	—
Exports (mil. bu.)	753.0	875.0	724.3	55.5	50.9	100.8	103.7	73.6	84.3	—
<b>Soybean oil:</b>										
Wholesale price, crude, Decatur (cts./lb.)	27.2	24.3	22.5	22.0	19.4	19.7	19.9	18.9	18.4	18.2
Production (mil. lb.)	11,323.4	12,105.3	11,269.3	887.8	855.6	1,125.3	1,017.8	1,069.6	995.0	—
Domestic disappearance (mil. lb.)	8,941.7	8,980.7	9,122.6	690.6	795.7	884.0	776.9	752.8	—	—
Exports (mil. lb.)	2,334.0	2,690.0	1,626.7	121.0	106.9	187.2	146.6	183.8	43.8	—
Stocks, beginning (mil. lb.)	729.0	776.0	1,210.0	1,900.1	1,783.1	1,736.1	1,790.2	1,884.4	2,017.5	—
<b>Soybean meal:</b>										
Wholesale price, 44% protein, Decatur (\$/ton)	190.06	181.91	218.18	212.5	190.0	180.8	178.4	187.5	191.0	187.5
Production (thou. ton)	24,354.4	27,105.1	24,316.7	1,905.3	1,820.6	2,501.8	2,325.8	2,450.6	2,269.3	—
Domestic disappearance (thou. ton)	1,772.0	19,238.4	17,612.1	1,139.2	1,594.4	1,770.7	1,688.5	1,819.9	1,559.4	—
Exports (thou. ton)	6,610.0	7,908.0	6,767.5	760.6	297.3	584.6	631.7	666.1	673.6	—
Stocks, beginning (thou. ton)	243.0	267.4	225.6	242.6	233.8	162.7	309.2	314.8	279.4	315.7
Margarine, wholesale price, Chicago (cts./lb.)	43.5	50.3	47.0	41.3	40.8	40.0	40.0	40.0	39.0	39.6

<sup>1</sup> Beginning September 1 for soybeans; October 1 for soy meal and oil; calendar year for margarine.

## Cotton

	Marketing year <sup>1</sup>			1981					1982	
	1978/79	1979/80	1980/81	Feb	Sept	Oct	Nov	Dec	Jan	Feb
U.S. price, SLM, 1-1/16 in. (cts./lb.) <sup>2</sup>	61.6	71.5	83.0	83.3	60.8	60.6	57.5	55.1	57.8	57.3
Northern Europe prices:										
Index (cts./lb.) <sup>3</sup>	n.a.	n.a.	93.3	95.6	77.0	75.0	72.0	67.7	70.0	—
U.S. M 1-3/32" (cts./lb.) <sup>4</sup>	n.a.	n.a.	n.a.	n.a.	77.6	75.8	72.9	70.0	72.8	—
U.S. mill consumption (thou. bales)	6,434.8	6,463.0	5,870.5	464.7	539.8	467.3	419.3	413.6	393.9	—
Exports (thou. bales)	6,180.2	9,228.9	5,925.8	723.2	221.3	274.0	499.6	768.0	685.0	—

<sup>1</sup> Beginning August 1. <sup>2</sup> Average spot market. <sup>3</sup> Liverpool Outlook "A" Index; average of five lowest priced of 10 selected growths. <sup>4</sup> Memphis territory growths. n.a. = not available.

## Fruit

	Annual			1981					1982	
	1979	1980	1981	Feb	Sept	Oct	Nov	Dec	Jan	Feb
<b>Wholesale price indexes:</b>										
Fresh fruit (1967=100)	230.4	237.3	226.7	211.6	237.9	237.9	250.8	264.4	241.6	250.8
Dried fruit (1967=100)	479.6	399.2	405.9	399.3	408.7	408.7	408.7	414.7	414.7	410.0
Canned fruit and juice (1967=100)	240.2	256.4	273.8	267.3	278.8	281.6	275.5	280.1	282.2	286.5
Frozen fruit and juice (1967=100)	248.5	244.3	302.8	268.5	318.0	317.9	313.0	304.9	304.9	313.7
<b>F.o.b. shipping point prices:</b>										
Apples, Yakima Valley (\$/ctn.) <sup>1</sup>	n.a.	n.a.	n.a.	<sup>2</sup> 9.63	16.08	13.15	14.28	13.63	13.68	<sup>3</sup> 14.50
Pears, Medford, Or. (\$/box) <sup>2</sup>	n.a.	n.a.	n.a.	9.93	9.05	8.71	n.a.	n.a.	10.58	n.a.
Oranges, U.S. avg. (\$/box)	12.50	9.58	11.00	11.20	12.30	12.00	12.70	11.90	12.10	13.40
Grapefruit, U.S. avg. (\$/box)	8.00	8.50	10.10	10.10	12.70	10.00	8.46	8.48	6.27	11.30
<b>Stocks, beginning:</b>										
Fresh apples (mil. lb.)	n.a.	n.a.	n.a.	2,635.5	17.9	1,424.9	3,872.0	3,332.3	2,676.0	2,128.4
Fresh pears (mil. lb.)	n.a.	n.a.	n.a.	170.9	63.3	515.6	404.8	264.6	207.9	162.8
Frozen fruit (mil. lb.)	n.a.	n.a.	n.a.	552.4	536.3	563.1	624.7	584.5	520.6	468.3
Frozen fruit juices (mil. lb.)	n.a.	n.a.	n.a.	1,188.4	1,507.4	1,341.3	1,229.1	1,102.4	1,127.2	1,337.9

<sup>1</sup> Red Delicious, Washington extra fancy, carton tray pack. 80-113's. <sup>2</sup> D'Anjou pears, Medford, or wrapped, U.S. No. 1, 100-135's. <sup>3</sup> Control atmosphere storage. n.a. = not available.

## Vegetables

	Annual			1981					1982	
	1979	1980	1981	Feb	Sept	Oct	Nov	Dec	Jan	Feb
<b>Wholesale prices:</b>										
Potatoes, white, f.o.b. East (\$/cwt.) . . .	4.54	6.32	9.39	13.40	6.75	6.29	5.54	5.78	6.30	6.55
Iceberg lettuce (\$/crt.) <sup>1</sup> . . . . .	5.10	4.25	5.27	3.74	5.90	4.34	4.42	9.62	13.96	5.86
Tomatoes (\$/crt.) <sup>2</sup> . . . . .	7.86	7.57	9.06	14.74	5.90	7.29	5.83	6.73	8.64	8.64
<b>Wholesale price index, 10 canned</b>										
veg. (1967=100) . . . . .	191	200	235	218	242	241	245	245	246	239
<b>Grower price index, fresh commercial</b>										
veg. (1977=100) . . . . .	109	110	133	165	114	115	120	150	191	185

<sup>1</sup> Std. carton 24's f.o.b. shipping point. <sup>2</sup> 5 x 6-6 x 6, f.o.b. Fla-Cal.

## Sugar

	Annual			1981					1982	
	1979	1980	1981	Feb	Sept	Oct	Nov	Dec	Jan	Feb
U.S. raw sugar price, N.Y. (cts./lb.) <sup>1</sup> . . .	15.56	30.11	19.73	26.07	15.49	15.66	16.28	17.07	18.16	17.77
U.S. deliveries (thou. short tons) <sup>2</sup> . . .	10,714	10,149	9,731	674	985p	783p	767p	745p	661p	636p

<sup>1</sup> Spot price reported by N.Y. Coffee and Sugar Exchange. Reporting resumed in mid August 1979 after being suspended November 3, 1977. <sup>2</sup> Raw value. <sup>3</sup> Excludes Hawaii. p = preliminary.

## Tobacco

	Annual			1981					1982	
	1979	1980	1981 p	Feb	Sept	Oct	Nov	Dec	Jan	Feb
<b>Prices at auctions:</b>										
Five-cured (cts./lb.) <sup>1</sup> . . . . .	140.0	144.5	166.4	—	172.0	166.5	155.0	—	—	—
Burley (cts./lb.) <sup>1</sup> . . . . .	145.2	165.9	180.6	185.5	—	—	177.5	180.5	182.0	180.5
<b>Domestic consumption<sup>2</sup></b>										
Cigarettes (bil.) . . . . .	614.0	620.7	641.5	51.5	58.2	56.6	49.7	42.3	n.a.	n.a.
Large cigars (mil.) . . . . .	4,298	3,994	3,920	268.2	367.8	355.3	324.0	265.2	n.a.	n.a.

<sup>1</sup> Crop year July-June for five-cured, October-September for burley. <sup>2</sup> Taxable removals. n.a. = not available. p = preliminary.

## Coffee

	Annual			1981					1982	
	1979	1980	1981 p	Feb	Sept	Oct	Nov	Dec	Jan p	Feb p
Composite green price, N.Y. (cts./lb.) . . .	189.50	157.78	122.10	122.82	112.53	123.65	133.73	132.90	132.00	148.74
Imports, green bean equivalent (mil. lb.) <sup>1</sup> .	2,656	2,466	2,514	236	166	204	213	214	220	*225
	Annual			1980		1981			1982	
	1979	1980	1981 p	July-Sept	Oct-Dec	Jan-Mar	Apr-June	July-Sept	Oct-Dec p	Jan-Mar p
Roastings (mil. lb.) <sup>2</sup> . . . . .	2,249	2,255	2,324	511	644	627	524	516	657	615

<sup>1</sup> Green and processed coffee. <sup>2</sup> Instant soluble and roasted coffee. p = preliminary. \* Forecast.



# Supply and Utilization: Crops

## Supply and Utilization: Domestic Measure<sup>1</sup>

	Area										
	Planted	Harvested	Yield	Production	Total Supply <sup>2</sup>	Feed and Residual	Other domestic use	Exports	Total use	Ending stocks	Farm price <sup>3</sup>
	Mil. acres		Bu/acre				Mil. bu				\$/bu.
<b>Wheat:</b>											
1977/78	75.4	66.7	30.7	2,046	3,161	193	666	1,124	1,983	1,178	2.33
1978/79	66.0	56.5	31.4	1,776	2,955	158	679	1,194	2,031	924	2.97
1979/80	71.4	62.5	34.2	2,134	3,060	66	697	1,375	2,158	902	3.78
1980/81*	80.6	71.0	33.4	2,374	3,278	51	728	1,510	2,289	989	3.91
1981/82*	88.9	80.9	34.5	2,793	3,784	135	732	1,800	2,667	1,117	3.70
	Mil. acres		lb/acre				Mil. cwt. (rough equiv.)				c/lb.
<b>Rice:</b>											
1977/78	2.26	2.25	4,412	99.2	139.8	1.9	37.7	72.6	110.5	27.4	9.49
1978/79	2.99	2.97	4,484	133.2	160.7	4.2	49.2	75.7	124.9	31.6	8.16
1979/80	2.89	2.87	4,599	131.9	163.6	6.1	49.2	82.6	131.8	25.7	10.50
1980/81*	3.38	3.31	4,413	146.2	172.1	9.7	54.5	91.4	145.9	16.5	12.80
1981/82*	3.84	3.80	4,873	185.4	202.0	3.5	56.5	91.0	147.5	51.0	9.25-10.25
	Mil. acres		Bu/acre				Mil. bu.				\$/bu.
<b>Corn:</b>											
1977/78	84.3	71.6	90.8	6,505	7,394	3,745	590	1,948	6,283	1,111	2.02
1978/79	81.7	71.9	101.0	7,268	8,380	4,323	620	2,133	7,076	1,304	2.25
1979/80	81.4	72.4	109.7	7,939	9,244	4,519	675	2,433	7,827	1,617	2.52
1980/81*	84.0	73.0	91.0	6,645	8,263	4,139	735	2,355	7,229	1,034	3.11
1981/82*	84.2	74.6	109.9	8,201	9,236	4,250	785	2,125	7,160	2,076	2.40-2.55
	Mil. acres		Bu/acre				Mil. bu.				\$/bu.
<b>Sorghum:</b>											
1977/78	16.6	13.8	56.6	781	872	456	11	214	681	191	1.82
1978/79	16.2	13.4	54.5	731	922	545	11	207	762	160	2.01
1979/80	15.3	12.9	62.7	809	969	484	13	325	822	147	2.34
1980/81*	15.6	12.5	46.3	579	726	307	11	298	817	109	2.94
1981/82*	16.0	13.7	64.1	880	989	400	11	300	711	278	2.25-2.35
	Mil. acres		Bu/acre				Mil. bu.				\$/bu.
<b>Barley:</b>											
1977/78	10.8	9.7	44.0	428	564	178	156	57	391	173	1.78
1978/79	10.0	9.2	49.2	455	638	217	167	26	410	228	1.92
1979/80	8.1	7.5	50.9	383	623	204	172	55	431	192	2.29
1980/81*	8.3	7.3	49.6	361	563	177	172	77	426	137	2.85
1981/82*	9.7	9.2	52.3	478	625	200	175	110	485	140	2.50
	Mil. acres		Bu/acre				Mil. bu.				\$/bu.
<b>Oats:</b>											
1977/78	17.7	13.5	55.8	753	919	509	85	12	606	313	1.10
1978/79	16.4	11.1	52.3	582	896	526	77	13	616	280	1.20
1979/80	14.0	9.7	54.4	527	808	492	76	4	672	236	1.36
1980/81*	13.4	8.7	53.0	458	695	431	74	13	518	177	1.79
1981/82*	13.6	9.4	54.0	508	686	435	76	10	520	166	1.85
	Mil. acres		Bu/acre				Mil. bu.				\$/bu.
<b>Soybeans:</b>											
1977/78	59.0	57.8	30.6	1,767	1,870	482	927	700	1,709	161	5.88
1978/79	64.7	63.7	29.4	1,869	2,030	499	1,018	739	1,856	174	6.66
1979/80	71.6	70.6	32.1	2,268	2,442	485	1,123	875	2,083	359	6.28
1980/81*	70.0	67.9	26.4	1,792	2,151	489	1,020	724	1,833	318	7.57
1981/82*	68.1	66.7	30.4	2,030	2,348	488	1,060	850	1,998	350	6.05
							Mil. lbs.				c/lb.
<b>Soybean oil:</b>											
1977/78	—	—	—	10,288	11,059	—	8,273	2,057	10,330	729	24.5
1978/79	—	—	—	11,323	12,052	—	8,942	2,334	11,276	776	27.2
1979/80	—	—	—	12,105	12,881	—	8,981	2,690	11,671	1,210	24.3
1980/81*	—	—	—	11,270	12,480	—	9,115	1,629	10,744	1,736	22.7
1981/82*	—	—	—	11,344	13,080	—	9,450	2,200	11,650	1,430	19.0
							Thou. tons				\$/ton
<b>Soybean meal:</b>											
1977/78	—	—	—	22,371	22,599	—	16,276	6,080	22,356	243	163.6
1978/79	—	—	—	24,354	24,597	—	17,720	6,610	24,330	267	190.1
1979/80	—	—	—	27,105	27,372	—	19,214	7,932	27,146	226	161.9
1980/81*	—	—	—	24,312	24,538	—	17,597	6,778	24,375	163	218.2
1981/82*	—	—	—	25,367	25,530	—	18,100	7,200	25,300	230	185

See footnotes at end of table.

# Supply and Utilization--Domestic Measure, Continued

	Area		Yield	Produc- tion	Total Supply <sup>1</sup>	Feed and Resid- ual	Other domes- tic use	Ex- ports	Total use	Ending stocks	Farm price <sup>3</sup>
	Planted	Harvested									
	Mil. acres	lb/acre									c/lb
Cotton:											
1977/78 . . . . .	13.7	13.3	520	14.4	17.3	—	6.5	5.5	12.0	5.3	\$52.3
1978/79 . . . . .	13.4	12.4	420	10.9	16.2	—	6.4	6.2	12.5	4.0	\$58.4
1979/80 . . . . .	14.0	12.8	547	14.6	18.6	—	6.5	9.2	15.7	3.0	\$62.5
1980/81* . . . . .	14.5	13.2	404	11.1	14.1	—	5.9	5.9	11.9	2.7	\$74.7
1981/82* . . . . .	14.3	13.8	546	15.7	18.4	—	5.4	6.8	12.2	6.4	—

## Supply and Utilization--Metric Measure<sup>6</sup>

	Mil. hectares		Metric tons/ha				Mil. metric tons				\$ /metric ton	
Wheat:												
1977/78 . . . . .	30.5	27.0	2.06	55.7	86.0	5.2	18.1	30.6	53.9	32.1	86	
1978/79 . . . . .	26.7	22.9	2.11	48.3	80.4	4.3	18.5	32.5	55.3	25.1	109	
1979/80 . . . . .	28.9	25.3	2.30	58.1	83.3	2.3	19.0	37.4	58.7	24.5	139	
1980/81* . . . . .	32.6	28.7	2.25	64.6	89.2	1.4	19.8	41.1	62.3	26.9	144	
1981/82* . . . . .	38.0	32.7	2.32	76.0	103.0	3.7	19.9	49.0	72.6	30.4	136	

Mil. metric tons (rough equiv.)

<b>Rice:</b>											
1977/78 . . . . .	.9	.9	4.94	4.5	6.3	70.1	1.7	3.3	5.0	1.2	209
1978/79 . . . . .	1.2	1.2	5.03	6.0	7.3	70.2	2.3	3.4	5.7	1.4	180
1979/80 . . . . .	1.2	1.2	5.15	6.0	7.4	70.3	2.2	3.7	5.9	1.2	231
1980/81* . . . . .	1.4	1.3	4.95	6.6	7.8	70.4	2.6	4.1	6.6	0.6	282
1981/82* . . . . .	1.6	1.5	5.46	8.4	9.2	70.2	2.6	4.4	6.7	2.3	204-226

Mil. metric tons

<b>Corn:</b>											
1977/78 . . . . .	34.1	29.0	5.70	165.2	187.8	95.1	15.0	49.5	159.6	28.2	80
1978/79 . . . . .	33.1	29.1	6.34	184.6	212.8	109.8	15.7	54.2	179.8	33.1	89
1979/80 . . . . .	32.9	29.3	6.88	201.8	234.8	114.8	17.1	61.8	193.7	41.1	99
1980/81* . . . . .	34.0	29.8	5.71	168.8	209.9	105.1	18.7	59.8	183.6	26.3	122
1981/82* . . . . .	34.1	30.2	6.90	208.3	234.6	108.0	19.9	54.0	181.9	52.7	95-100

<b>Feed Grain:</b>											
1977/78 . . . . .	52.4	43.9	4.68	205.3	235.5	117.9	19.9	56.3	194.1	41.4	—
1978/79 . . . . .	50.3	42.7	5.19	221.5	263.2	135.9	20.9	60.2	217.0	46.2	—
1979/80 . . . . .	48.1	41.5	5.74	238.2	284.7	138.7	22.3	71.3	232.3	52.4	—
1980/81* . . . . .	49.1	41.1	4.82	198.0	250.7	123.0	23.8	69.3	216.1	34.6	—
1981/82* . . . . .	50.0	43.3	5.74	248.4	283.3	128.8	25.1	64.1	218.0	65.3	—

<b>Soybeans:</b>											
1977/78 . . . . .	23.9	23.4	2.06	48.1	50.9	42.2	25.2	19.1	48.5	4.4	216
1978/79 . . . . .	26.2	25.8	1.98	50.9	55.3	42.7	27.7	20.1	50.6	4.7	245
1979/80 . . . . .	29.0	28.8	2.16	61.7	66.5	42.3	30.6	23.8	56.7	9.8	231
1980/81* . . . . .	28.4	27.5	1.78	48.8	58.5	42.4	27.8	19.7	49.8	8.7	278
1981/82* . . . . .	27.7	27.0	2.05	55.3	63.9	42.3	28.8	23.1	54.4	9.5	222

<b>Soybean oil:</b>											
1977/78 . . . . .	—	—	—	4.67	5.02	—	3.75	.93	4.69	.33	540
1978/79 . . . . .	—	—	—	5.14	5.47	—	4.06	1.06	5.12	.35	597
1979/80 . . . . .	—	—	—	5.49	5.84	—	4.07	1.22	5.29	.55	536
1980/81* . . . . .	—	—	—	5.11	5.66	—	4.14	.74	4.87	.79	500
1981/82* . . . . .	—	—	—	5.24	5.93	—	4.28	1.00	5.29	.65	419

<b>Soybean meal:</b>											
1977/78 . . . . .	—	—	—	20.29	20.50	—	14.77	5.52	20.28	.22	180
1978/79 . . . . .	—	—	—	22.09	22.31	—	16.08	6.00	22.07	.24	209
1979/80 . . . . .	—	—	—	24.59	24.83	—	17.43	7.20	24.63	.20	201
1980/81* . . . . .	—	—	—	22.06	22.26	—	15.96	6.15	22.11	.15	241
1981/82* . . . . .	—	—	—	23.01	23.18	—	16.42	6.53	22.95	.21	204

\$/kg

<b>Cotton:</b>											
1977/78 . . . . .	5.5	5.4	.58	3.14	3.77	—	1.42	1.20	2.61	1.15	\$1.15
1978/79 . . . . .	5.4	5.0	.47	2.36	3.53	—	1.39	1.35	2.72	.87	\$1.29
1979/80 . . . . .	5.7	5.2	.61	3.19	4.05	—	1.42	2.00	3.42	.85	\$1.38
1980/81* . . . . .	5.9	5.3	.45	2.42	3.07	—	1.28	1.28	2.59	.59	\$1.65
1981/82* . . . . .	5.8	5.6	.81	3.43	4.01	—	1.18	1.48	2.66	1.39	—

\*March 11, 1982 Supply and Demand Estimates. <sup>1</sup>Marketing year beginning June 1 for wheat, barley, and oats, August 1 for cotton and rice, September 1 for soybeans, and October 1 for corn, sorghum, soybean meal, and soybean oil. <sup>2</sup>Includes imports. <sup>3</sup>Season average. <sup>4</sup>Includes seed. <sup>5</sup>Upland and extra long staple. Stock estimates based on Census Bureau data which results in an unaccounted difference between supply and use estimates and changes in ending stocks. <sup>6</sup>Conversion factors: Hectare (ha.) = 2.471 acres, 1 metric ton = 2204.622 pounds, 36.7437 bushels of wheat or soybeans, 39.3679 bushels of corn or sorghum, 49.9296 bushels of barley, 69.8944 bushels of oats, 22.046 cwt. of rice, and 4.59 480-pound bales of cotton. <sup>7</sup>Statistical discrepancy.

# General Economic Data

## Gross national product and related data

	Annual			1980				1981			
	1979	1980	1981 p	I	II	III	IV	I	II	III	IV
\$ Bil. (Quarterly data seasonally adjusted at annual rates)											
Gross national product <sup>1</sup>	2,413.9	2,626.1	2,925.5	2,571.7	2,564.8	2,637.3	2,730.6	2,853.0	2,885.8	2,965.0	2,998.3
Personal consumption expenditures	1,510.9	1,672.8	1,857.8	1,631.0	1,626.8	1,682.2	1,751.0	1,810.1	1,829.1	1,883.9	1,908.3
Durable goods	212.3	211.9	232.0	220.9	194.4	208.8	223.3	238.3	227.3	236.2	226.4
Nondurable goods	602.2	675.7	743.2	661.1	664.0	674.2	703.5	726.0	735.3	751.3	760.3
Clothing and shoes	98.9	104.8	115.9	102.2	102.3	105.3	109.4	113.4	115.8	117.5	117.0
Food and beverages	312.1	345.7	382.0	336.2	338.4	347.7	360.4	372.5	377.8	386.5	391.1
Services	696.3	785.2	882.6	749.0	768.4	799.2	824.2	845.8	866.5	896.4	921.5
Gross private domestic investment	415.8	395.3	450.5	415.6	390.9	377.1	397.7	437.1	458.6	463.0	443.3
Fixed investment	398.3	401.2	434.4	413.1	383.5	393.2	415.1	432.7	435.3	435.6	434.0
Nonresidential	279.7	296.0	328.9	297.8	289.8	294.0	302.1	315.9	324.6	335.1	339.8
Residential	118.6	105.3	105.5	115.2	93.6	99.2	113.0	116.7	110.7	100.5	94.2
Change in business inventories	17.5	-5.9	16.2	2.5	7.4	-16.0	-17.4	4.5	23.3	27.5	9.4
Net exports of goods and services	13.4	23.3	26.0	8.2	17.1	44.5	23.3	29.2	20.8	29.3	24.7
Exports	281.3	339.8	367.3	337.3	333.3	342.4	346.1	367.4	368.2	368.0	365.6
Imports	267.9	316.5	341.3	329.1	316.2	297.9	322.7	338.2	347.5	338.7	341.0
Government purchases of goods and services	473.8	534.7	591.2	516.8	530.0	533.5	558.6	576.5	577.4	588.9	622.0
Federal	167.9	198.9	230.2	190.0	198.7	194.9	212.0	221.6	219.5	226.4	253.3
State and local	305.9	335.8	361.0	326.8	331.3	338.6	346.6	354.9	357.9	362.5	368.7
1972 \$Bil. (Quarterly data seasonally adjusted at annual rates)											
Gross national product	1,483.0	1,480.7	1,510.3	1,501.9	1,463.3	1,471.9	1,485.6	1,516.4	1,510.4	1,515.8	1,498.4
Personal consumption expenditures	930.9	935.1	958.9	943.4	919.3	930.6	946.8	960.2	956.1	962.8	957.5
Durable goods	146.6	135.8	139.4	145.4	126.2	132.6	139.1	146.8	137.4	140.3	133.1
Nondurable goods	354.6	358.4	367.3	361.5	356.6	354.9	360.4	364.5	367.0	368.8	368.8
Clothing and shoes	76.6	78.0	83.7	76.9	76.7	78.3	80.1	82.8	84.0	84.2	83.6
Food and beverages	176.7	181.5	184.6	183.6	182.2	180.1	179.9	182.9	185.0	185.2	185.3
Services	429.6	440.9	452.2	436.5	436.5	443.3	447.3	448.9	450.7	453.7	455.6
Gross private domestic investment	232.6	203.6	214.8	218.3	200.5	195.3	200.5	211.6	219.7	221.5	206.3
Fixed investment	222.5	206.6	207.6	219.2	199.2	200.2	207.6	213.1	208.9	206.5	202.1
Nonresidential	163.3	158.4	162.4	165.0	156.1	155.5	157.0	162.0	161.1	163.9	162.7
Residential	59.1	48.1	45.2	54.2	43.1	44.7	50.6	51.0	47.8	42.7	39.4
Change in business inventories	10.2	-2.9	7.1	-9	1.3	-5.0	-7.2	-1.4	10.8	14.9	4.2
Net exports of goods and services	37.7	52.0	44.9	50.1	51.7	57.6	48.5	50.9	46.2	43.2	39.2
Exports	146.9	161.1	160.4	165.9	160.5	160.5	157.4	162.5	161.5	160.1	157.4
Imports	109.2	109.1	115.5	115.8	108.9	102.8	108.9	111.6	115.4	116.9	118.2
Government purchases of goods and services	281.8	290.0	291.7	290.1	291.9	288.2	289.8	293.6	289.5	288.3	295.4
Federal	101.7	108.1	111.5	107.6	110.7	106.9	107.4	111.2	108.7	109.6	116.6
State and local	180.1	181.9	180.2	182.5	181.2	181.3	182.4	182.5	180.7	178.8	178.8
New plant and equipment expenditures (\$bil.)	270.46	295.63	322.61	291.89	294.36	296.23	299.58	312.24	316.73	328.25	332.06
Implicit price deflator for GNP (1972=100)	162.77	177.36	193.71	171.23	175.28	179.18	183.81	188.14	191.06	195.61	200.10
Disposable income (\$bil.)	1,641.7	1,821.7	2,016.0	1,765.1	1,784.1	1,840.6	1,897.0	1,947.8	1,985.6	2,042.0	2,088.5
Disposable income (1972 \$bil.)	1,011.5	1,018.4	1,040.4	1,025.8	1,008.2	1,018.5	1,025.8	1,033.3	1,036.8	1,043.6	1,047.9
Per capita disposable income (\$)	7,293	8,002	8,770	7,785	7,848	8,074	8,299	8,504	8,651	8,873	9,051
Per capita disposable income (1972 \$)	4,493	4,473	4,526	4,503	4,435	4,468	4,488	4,511	4,517	4,535	4,541
U.S. population, tot. incl. military abroad (mil.)*	225.1	227.7	229.8	226.7	227.3	228.0	228.6	229.1	229.5	230.1	230.7
Civilian population (mil.)*	223.0	225.6	227.7	224.6	225.2	225.8	226.4	226.9	227.4	228.0	228.6

See footnotes at end of next table.

## Selected monthly indicators

	Annual			1981					1982	
	1979	1980	1981 p	Feb	Sept	Oct	Nov	Dec	Jan	Feb p
Monthly data seasonally adjusted except as noted										
Industrial production, total <sup>2</sup> (1967=100)	152.5	147.0	151.0	151.8	151.6	149.1	146.3	143.2	139.6	141.8
Manufacturing (1967=100)	153.6	146.7	150.4	151.2	151.1	148.0	145.0	141.7	137.6	140.1
Durable (1967=100)	146.4	136.7	140.5	140.8	140.9	137.8	134.4	131.2	126.6	129.2
Nondurable (1967=100)	164.0	161.2	164.7	166.2	165.9	162.8	160.3	156.9	153.5	155.8
Leading economic indicators <sup>3</sup> (1967=100)	140.1	131.2	133.2	134.2	130.8	128.2	127.8	126.8	125.3	124.9
Employment <sup>4</sup> (Mil. persons)*	96.9	97.3	100.4	100.1	100.3	100.3	100.2	99.6	99.6	99.6
Unemployment rate <sup>4</sup> (%)	5.8	7.1	7.6	7.4	7.6	8.0	8.3	8.8	8.5	8.8
Personal income <sup>5</sup> (\$ bil. annual rate)	1,943.8	2,160.2	2,404.1	2,318.2	2,462.6	2,475.2	2,492.4	2,492.0	2,497.7	2,509.9
Hourly earnings in manufacturing <sup>6</sup> (\$)	6.69	7.27	7.99	7.75	8.15	8.15	8.20	8.25	8.41	8.35
Money stock-M1 (daily avg.) (\$ bil.) <sup>7</sup>	\$389.0	\$414.5	\$440.9	419.4	431.2	432.9	436.4	440.9	448.6	447.2
Money stock-M2 (daily avg.) (\$ bil.) <sup>7</sup>	\$1,518.9	\$1,656.1	\$1,822.4	1,678.1	1,778.1	1,789.3	1,809.7	1,822.4	1,840.9	1,847.2
Three-month Treasury bill rate <sup>8</sup> (%)	10.04	11.506	14.077	14.905	14.951	13.873	11.269	10.926	12.412	13.780
Aaa corporate bond yield (Moody's) <sup>9</sup> (%)	9.63	11.94	14.17	13.35	15.49	15.40	14.22	14.23	15.18	15.27
Interest rate on new home mortgages <sup>10</sup> (%)	10.78	12.66	14.70	13.54	15.29	15.65	16.38	15.87	15.13	15.03
Housing starts, private (incl. farm) (thou.)	1,745.1	1,292.2	1,085.3	1,294	899	854	860	899	895	953
Auto sales at retail, total <sup>11</sup> (mil.)	10.6	9.0	8.5	10.4	8.8	7.2	7.6	7.2	8.2	8.6
Business sales, total <sup>12</sup> (\$ bil.)	294.7	320.5	349.9	350.3	353.7	345.3	345.2	342.2	336.9	—
Business inventories, total <sup>13</sup> (\$ bil.)	423.8	464.9	497.2	484.1	508.1	511.7	515.2	511.8	509.7	—
Sales of all retail stores (\$ bil.) <sup>14</sup>	74.5	79.7	87.1	86.0	88.7	86.7	87.2	87.4	86.2p	87.6
Durable goods stores (\$ bil.)	25.4	24.8	27.4	27.5	28.4	26.3	26.5	26.7	25.8p	26.5
Nondurable goods stores (\$ bil.)	49.1	54.9	59.7	58.5	60.3	60.3	60.7	60.8	60.4p	61.0
Food stores (\$ bil.)	16.3	18.1	19.8	19.1	20.1	20.2	20.5	20.6	20.1p	20.4
Eating and drinking places (\$ bil.)	6.6	7.2	7.9	7.9	8.1	8.1	8.0	8.0	8.1p	8.2
Apparel and accessory stores (\$ bil.)	3.5	3.7	4.0	4.0	4.1	4.0	3.9	4.0	4.0p	4.0

<sup>1</sup> Department of Commerce. <sup>2</sup> Board of Governors of the Federal Reserve System. <sup>3</sup> Composite index of 12 leading indicators. <sup>4</sup> Department of Labor, Bureau of Labor Statistics. <sup>5</sup> Not seasonally adjusted. <sup>6</sup> December of the year listed. <sup>7</sup> Moody's Investors Service. <sup>8</sup> Federal Home Loan Bank Board. <sup>9</sup> Adjusted for seasonal variations, holidays, and trading day differences. p = preliminary. <sup>10</sup> Data for 1981 have been revised based on 1980 census population count.

## U.S. Agricultural Trade

### Prices of principal U.S. agricultural trade products

	Annual			1981					1982	
	1979	1980	1981	Feb	Sept	Oct	Nov	Dec	Jan	Feb
<b>Export commodities:</b>										
Wheat, f.o.b. vessel, Gulf ports (\$/bu.)	4.45	4.78	4.80	5.01	4.72	4.64	4.89	4.74	4.76	4.71
Corn, f.o.b. vessel, Gulf ports (\$/bu.)	3.01	3.28	3.40	3.69	3.10	2.96	2.84	2.79	2.76	2.92
Grain sorghum, f.o.b. vessel, Gulf ports (\$/bu.)	2.85	3.38	3.28	3.65	2.89	2.85	2.88	2.90	2.98	2.92
Soybeans, f.o.b. vessel, Gulf ports (\$/bu.)	7.59	7.39	7.40	7.74	7.01	6.74	6.62	6.55	6.72	6.63
Soybean oil, Decatur (cts./lb.)	27.59	23.63	21.07	21.55	19.02	19.38	19.78	18.64	19.37	18.32
Soybean meal, Decatur (\$/ton)	191.08	196.47	218.65	211.08	189.60	180.48	179.40	188.30	192.53	191.26
Cotton, 10 market avg. spot (cts./lb.)	61.81	81.13	71.93	83.30	60.81	60.63	57.47	55.11	57.83	57.24
Tobacco, avg. price of auction (cts./lb.)	132.15	142.29	156.48	149.40	166.98	161.46	163.53	168.94	169.97	169.97
Rice, f.o.b. mill, Houston (\$/cwt.)	20.25	21.89	25.63	25.75	24.85	23.50	22.60	22.00	21.75	20.20
Inedible tallow, Chicago (cts./lb.)	23.45	18.52	15.27	15.83	14.50	14.50	13.91	13.57	13.38	13.40
<b>Import commodities:</b>										
Coffee, N.Y. spot (\$/lb.)	1.74	1.64	1.27	1.23	1.14	1.29	1.45	1.47	1.44	1.49
Sugar, N.Y. spot (cts./lb.)	15.61	30.10	19.73	26.07	15.49	15.66	16.28	17.07	18.16	17.17
Rubber, N.Y. spot (cts./lb.)	64.57	73.80	56.79	68.24	50.19	46.47	45.47	45.37	48.50	47.25
Cocoa beans, N.Y. (\$/lb.)	1.44	1.14	.90	.89	1.01	.95	.88	.92	.96	.96
Bananas, f.o.b. port of entry (\$/40-lb. box)	5.91	6.89	7.28	7.90	7.89	7.06	7.18	7.55	7.71	n.a.

n.a. = not available.



# U.S. agricultural exports

	October-January				January			
	1980/81	1981/82	1980/81	1981/82	1981	1982	1981	1982
	Thou. units		\$ Thou.		Thou. units		\$ Thou.	
Animals, live, excluding poultry. . . . .	—	—	68,469	88,311	—	—	10,676	12,055
Meat and preps., excluding poultry (mt). . . . .	139	148	323,158	324,963	34	34	80,491	73,444
Dairy products, excluding eggs . . . . .	—	—	61,589	132,385	—	—	16,333	25,413
Poultry and poultry products . . . . .	—	—	250,558	242,943	—	—	59,946	47,858
Grains and preparations . . . . .	—	—	7,213,052	5,768,876	—	—	1,838,755	1,314,813
Wheat and wheat flour (mt). . . . .	13,554	14,952	2,578,858	2,591,473	3,591	3,414	702,661	606,815
Rice, milled (mt). . . . .	995	994	462,461	432,813	247	221	119,197	99,626
Feed grains, excluding products (mt). . . . .	26,681	21,192	4,032,660	2,622,613	6,143	4,752	987,869	581,597
Other. . . . .	—	—	139,073	121,977	—	—	29,028	26,775
Fruits, nuts, and preparations . . . . .	—	—	798,202	742,597	—	—	167,205	146,048
Vegetables and preparations . . . . .	—	—	610,043	650,918	—	—	167,479	100,977
Sugar & preps., including honey. . . . .	—	—	219,600	102,116	—	—	29,025	11,551
Coffee, tea, cocoa, spices, etc. (mt). . . . .	17	18	88,206	80,525	4	4	19,561	18,926
Feeds and fodders. . . . .	—	—	947,073	910,248	—	—	267,737	231,282
Protein meal (mt). . . . .	2,242	2,490	589,897	567,594	628	654	164,432	150,305
Beverages excl. distilled alcohol (Lit.). . . . .	53,296	18,013	26,285	9,178	10,622	5,508	5,192	2,751
Tobacco, unmanufactured (mt). . . . .	102	109	543,689	643,131	21	15	110,470	90,991
Hides, skins, and furskins . . . . .	—	—	339,473	359,642	—	—	126,880	124,876
Oilseeds . . . . .	—	—	2,551,028	2,811,468	—	—	635,096	620,856
Soybeans (mt). . . . .	7,662	9,862	2,369,277	2,549,993	1,952	2,294	613,941	595,288
Wool, unmanufactured (mt). . . . .	1	2	9,223	15,984	( <sup>1</sup> )	( <sup>1</sup> )	2,341	1,803
Cotton, unmanufactured (mt). . . . .	446	502	805,277	756,687	158	155	300,983	222,582
Fats, oils, and greases (mt). . . . .	484	538	238,321	254,489	99	135	50,119	62,790
Vegetable oils and waxes (mt). . . . .	492	475	342,660	287,078	119	67	81,731	44,487
Rubber and allied gums (mt). . . . .	4	3	7,094	6,561	1	1	1,821	1,700
Other. . . . .	—	—	364,439	363,554	—	—	95,317	99,366
Total . . . . .	—	—	15,807,439	14,551,654	—	—	4,067,158	3,254,569

<sup>1</sup> Less than 500,000.

## Trade balance

	October-January		January	
	1980/81	1981/82	1981	1982
	\$ Mil.			
Agricultural exports . . . . .	15,807	14,552	4,067	3,255
Nonagricultural exports . . . . .	58,802	59,321	13,531	13,874
Total exports <sup>1</sup> . . . . .	74,609	73,873	17,598	17,129
Agricultural imports . . . . .	6,059	5,280	1,560	1,221
Nonagricultural imports . . . . .	77,958	82,294	20,731	21,151
Total imports <sup>2</sup> . . . . .	84,017	87,574	22,291	22,372
Agricultural trade balance . . . . .	9,748	9,272	2,507	2,034
Nonagricultural trade balance . . . . .	-19,156	-22,973	-7,200	-7,277
Total trade balance . . . . .	-9,408	-13,701	-4,693	-5,243

<sup>1</sup> Domestic exports including Department of Defense shipments (F.A.S. value). <sup>2</sup> Imports for consumption (customs value).

# U.S. agricultural exports by regions

Region and country <sup>1</sup>	October-January		January		Change from year earlier	
	1980/81	1981/82	1981	1982	October-January	January
	\$ Mil.				percent	
<b>Western Europe</b> . . . . .	4,085	4,608	1,058	1,032	+13	-2
European Community (EC-10) . . . . .	3,268	3,455	858	751	+6	-12
Germany, Fed. Rep. . . . .	672	641	184	116	-5	-37
Greece . . . . .	99	69	11	24	-40	+118
Italy . . . . .	350	374	116	108	+7	-7
Netherlands . . . . .	1,184	1,326	270	282	+12	+4
Other Western Europe . . . . .	826	1,153	202	282	+40	+40
Portugal . . . . .	233	194	72	40	-17	-44
Spain . . . . .	329	639	52	150	+94	+188
<b>Eastern Europe</b> . . . . .	763	335	230	99	-56	-57
German Dem. Rep. . . . .	165	105	49	48	-36	-2
Poland . . . . .	294	82	110	6	-72	-95
Romania . . . . .	122	43	39	27	-65	-31
<b>USSR</b> . . . . .	858	1,006	307	364	+17	+19
<b>Asia</b> . . . . .	5,700	5,080	1,511	1,078	-11	-29
West Asia . . . . .	554	516	157	124	-7	-21
Iran . . . . .	( <sup>2</sup> )	72	0	6	+100	+100
Iraq . . . . .	53	32	11	13	-40	+18
Israel . . . . .	121	113	35	37	-7	+6
Saudi Arabia . . . . .	184	145	56	43	-21	-23
South Asia . . . . .	100	270	39	19	+170	-51
India . . . . .	49	208	10	16	+324	+60
Pakistan . . . . .	25	46	13	3	+84	-77
East and Southeast Asia . . . . .	5,046	4,293	1,315	935	-15	-29
China, Mainland . . . . .	930	652	287	150	-30	-44
Japan . . . . .	2,508	2,213	598	446	-12	-25
Korea, Rep. . . . .	722	504	207	118	-30	-43
Taiwan . . . . .	402	408	96	63	+1	-34
<b>Africa</b> . . . . .	742	744	220	179	-	-19
North Africa . . . . .	383	395	120	90	+3	-25
Algeria . . . . .	73	90	29	20	+23	-31
Egypt . . . . .	240	238	78	59	-1	-24
Other Africa . . . . .	358	349	101	90	-3	-11
Nigeria . . . . .	127	197	35	52	+55	+49
<b>Latin America and Caribbean</b> . . . . .	2,528	1,804	564	334	-29	-41
Brazil . . . . .	342	166	100	57	-61	-43
Caribbean . . . . .	271	255	78	70	-6	-10
Central America . . . . .	125	124	23	24	-1	+4
Mexico . . . . .	1,079	656	215	83	-39	-61
Peru . . . . .	123	102	30	18	-17	-40
Venezuela . . . . .	292	276	53	41	-5	-23
<b>Canada</b> . . . . .	675	633	157	149	-6	-5
Canada for transshipment . . . . .	393	232	5	( <sup>2</sup> )	-41	-100
<b>Oceania</b> . . . . .	75	110	14	18	+47	+29
<b>Total<sup>3</sup></b> . . . . .	15,807	14,552	4,067	3,255	-8	-20

<sup>1</sup> Not adjusted for transshipments. <sup>2</sup> Less than \$500,000. <sup>3</sup> Regions may not add to totals due to rounding.

# U.S. agricultural imports

	October-January				January			
	1980/81	1981/82	1980/81	1981/82	1981	1982	1981	1982
	Thou. units		\$ Thou.		Thou. units		\$ Thou.	
Live animals, excluding poultry . . . . .	—	—	140,959	120,894	—	—	37,981	27,193
Meat and preparations, excl. poultry (mt) . . . . .	335	241	874,900	569,682	78	58	206,254	132,714
Beef and veal (mt) . . . . .	255	173	656,408	383,360	59	43	151,567	92,202
Pork (mt) . . . . .	69	61	191,501	163,129	17	13	48,199	34,772
Dairy products, excluding eggs . . . . .	—	—	217,742	229,949	—	—	36,546	48,163
Poultry and poultry products . . . . .	—	—	32,152	26,550	—	—	8,251	6,188
Grains and preparations . . . . .	—	—	108,140	117,661	—	—	25,398	26,337
Wheat and flour (mt) . . . . .	1	2	450	579	( <sup>1</sup> )	( <sup>1</sup> )	211	107
Rice (mt) . . . . .	1	3	663	2,109	( <sup>1</sup> )	1	208	889
Feed grains (mt) . . . . .	44	63	8,194	10,930	10	17	1,979	3,028
Other . . . . .	—	—	98,833	104,043	—	—	23,000	22,313
Fruits, nuts, and preparations . . . . .	—	—	404,138	478,320	—	—	107,921	119,877
Bananas, Fresh (mt) . . . . .	779	777	146,281	168,790	193	176	39,322	38,169
Vegetables and preparations . . . . .	—	—	248,296	335,749	—	—	76,684	135,910
Sugar and preparations, incl. honey . . . . .	—	—	969,174	788,466	—	—	244,795	90,382
Sugar, cane or beet (mt) . . . . .	1,342	2,032	901,347	720,778	351	203	225,755	73,489
Coffee, tea, cocoa, spices, etc. (mt) . . . . .	574	531	1,673,802	1,244,296	165	117	478,796	289,232
Coffee, green (mt) . . . . .	381	353	1,167,783	860,947	111	77	332,499	202,610
Cocoa beans (mt) . . . . .	53	52	112,753	90,486	14	10	29,356	19,454
Feeds and fodders . . . . .	—	—	36,262	39,519	—	—	8,177	8,318
Protein meal (mt) . . . . .	7	22	1,623	3,596	2	5	544	818
Beverages, excl. distilled alcohol (hl) . . . . .	3,205	3,640	398,329	428,714	784	856	90,658	91,748
Tobacco, unmanufactured (mt) . . . . .	52	43	123,286	112,110	15	14	36,056	37,189
Hides, skins, and furskins . . . . .	—	—	77,517	72,150	—	—	23,571	30,038
Oilseeds . . . . .	61	81	27,000	33,325	18	10	8,840	6,365
Soybeans (mt) . . . . .	7	3	2,287	700	2	( <sup>1</sup> )	529	97
Wool, unmanufactured (mt) . . . . .	11	15	39,958	55,885	4	5	15,134	19,496
Cotton, unmanufactured (mt) . . . . .	5	4	3,198	1,955	1	1	447	782
Fats, oils, and greases (Lb.) . . . . .	4	4	2,996	3,001	1	1	814	804
Vegetable oils and waxes (Lb.) . . . . .	333	259	211,366	157,341	71	67	47,223	39,599
Rubber and allied gums (Lb.) . . . . .	161	230	207,170	222,975	31	52	40,536	45,507
Other . . . . .	—	—	262,897	243,311	—	—	66,324	64,902
Total . . . . .	—	—	6,059,282	5,279,853	—	—	1,560,405	1,220,744

<sup>1</sup> Less than 500,000. Note: 1 metric ton (mt) = 2,204.622 lb; 1 hectoliter (hl) = 100 liters = 26.42008 gal.

## Transportation Data

### Rail rates, grain and fruit and vegetable shipments

	Annual			1981					1982	
	1979	1980	1981	Feb	Sept	Oct	Nov	Dec	Jan	Feb
<b>Rail freight rate index<sup>1</sup></b>										
All products (1969=100) . . . . .	243.4	285.4	327.7	317.7	333.6	337.6	337.8	337.5	349.7	349.9
Farm products (1969=100) . . . . .	235.0	271.8	310.0	300.7	315.5	319.3	320.2	319.4	332.9	334.9
Grain (Dec. 1979=100) . . . . .	106.9	127.5	147.2	142.9	150.1	152.1	152.3	152.3	159.5	159.5
Food products (1969=100) . . . . .	239.5	283.7	329.5	319.7	334.8	340.0	340.0	340.0	354.0	354.0
<b>Rail carloadings of grain (thou. cars)<sup>2</sup></b>	27.5	30.1	26.3	23.5	32.1	25.6	27.4	22.4	23.0	27.2
<b>Barge shipments of grain (mil. bu.)<sup>3</sup></b>	31.2	36.7	38.2	39.4	42.8	40.9	50.0	27.2	24.7	31.8
<b>Fresh fruit and vegetable shipments</b>										
Piggy back (thousand cwt.) <sup>3,4</sup> . . . . .	n.a.	124	247	153	315	283	261	252	270	322
Rail (thou. cwt.) <sup>3,4</sup> . . . . .	806	1,218	711	833	480	538	672	615	690	692
Truck (thou. cwt.) <sup>3,4</sup> . . . . .	7,558	7,594	7,662	6,990	6,040	6,799	7,321	7,673	6,890	9,667

<sup>1</sup> Department of Labor, Bureau of Labor Statistics. <sup>2</sup> Weekly average; from Association of American Railroads. <sup>3</sup> Weekly average; from Agricultural Marketing Service, USDA. <sup>4</sup> Preliminary data for 1982. n.a. = not available.

# World Agricultural Production

## World supply and utilization of major crops

	1974/75	1975/76	1976/77	1977/78	1978/79	1979/80	1980/81	1981/82 F
	MIL units							
<b>Wheat:</b>								
Area (hectare) . . . . .	219.9	224.9	232.5	226.9	228.4	227.5	235.8	236.6
Production (metric ton) . . . . .	357.3	350.6	421.2	384.4	446.6	422.5	439.2	452.7
Exports (metric ton) <sup>1</sup> . . . . .	64.0	66.7	63.1	73.0	72.0	86.1	93.7	100.0
Consumption (metric ton) <sup>2</sup> . . . . .	363.8	351.7	385.2	401.7	429.9	443.4	444.2	446.4
Ending stocks (metric ton) <sup>3</sup> . . . . .	63.9	62.8	98.8	81.5	100.9	80.0	75.0	81.4
<b>Coarse grains:</b>								
Area (hectare) . . . . .	342.7	350.0	343.7	345.2	342.5	341.2	341.1	344.5
Production (metric ton) . . . . .	628.5	645.3	704.4	700.8	753.4	741.3	726.5	769.5
Exports (metric ton) <sup>1</sup> . . . . .	64.0	76.4	82.5	84.0	90.3	101.0	105.5	101.7
Consumption (metric ton) <sup>2</sup> . . . . .	634.7	645.9	685.4	692.1	747.5	740.4	737.6	740.9
Ending stocks (metric ton) <sup>3</sup> . . . . .	57.3	56.7	75.6	84.2	90.3	91.2	80.2	108.8
<b>Rice, milled:</b>								
Area (hectare) . . . . .	137.8	142.8	141.6	143.4	144.2	143.0	144.2	144.5
Production (metric ton) . . . . .	227.3	243.1	236.2	248.2	259.3	253.9	265.7	275.3
Exports (metric ton) <sup>1</sup> . . . . .	7.8	9.0	10.5	9.4	11.7	12.5	13.0	12.1
Consumption (metric ton) <sup>2</sup> . . . . .	228.9	235.5	237.5	242.1	255.1	257.6	265.9	274.8
Ending stocks (metric ton) <sup>3</sup> . . . . .	11.3	18.9	17.6	24.4	28.6	24.8	24.6	25.1
<b>Total grains:</b>								
Area (hectare) . . . . .	700.4	717.4	717.7	715.4	715.1	711.7	721.0	725.7
Production (metric ton) . . . . .	1,213.1	1,238.7	1,361.8	1,333.4	1,459.3	1,417.7	1,431.4	1,497.5
Exports (metric ton) <sup>1</sup> . . . . .	135.8	152.2	156.0	166.4	174.0	199.5	212.2	213.9
Consumption (metric ton) <sup>2</sup> . . . . .	1,227.4	1,231.9	1,307.0	1,335.9	1,432.5	1,441.5	1,447.7	1,462.0
Ending stocks (metric ton) <sup>3</sup> . . . . .	132.5	138.1	192.0	190.1	219.8	196.0	179.8	215.3
<b>Oilseeds and meals:<sup>4,5</sup></b>								
Production (metric ton) . . . . .	65.1	73.3	66.7	78.4	83.3	95.8	85.5	92.4
Trade (metric ton) . . . . .	27.7	33.8	33.9	38.8	40.6	46.2	44.1	46.0
<b>Fats and Oils:<sup>6</sup></b>								
Production (metric ton) . . . . .	46.2	49.3	47.4	52.3	54.7	58.8	56.6	59.0
Trade (metric ton) . . . . .	14.0	16.1	16.9	18.3	19.3	20.8	20.0	20.8
<b>Cotton:</b>								
Area (hectare) . . . . .	33.4	29.8	30.7	32.8	32.4	32.0	32.6	33.5
Production (bale) . . . . .	64.5	54.0	56.7	64.1	60.0	65.5	65.6	70.8
Exports (bale) . . . . .	17.5	19.1	17.6	19.1	19.8	22.7	19.9	20.4
Consumption (bale) . . . . .	58.7	61.1	60.6	60.0	62.4	65.3	65.3	66.1
Ending stocks (bale) . . . . .	30.9	24.0	20.4	25.0	22.1	22.2	23.1	27.5

F = Forecast. <sup>1</sup>Excludes intra-EC trade. <sup>2</sup>Where stocks data not available (excluding USSR), consumption includes stock changes. <sup>3</sup>Stocks data are based on differing marketing years and do not represent levels at a given date. Data not available for all countries; includes estimated change in USSR grain stocks but not absolute level. <sup>4</sup>Soybean meal equivalent. <sup>5</sup>Calendar year data. 1975 data corresponds with 1974/75. 1976 data with 1975/76, etc.

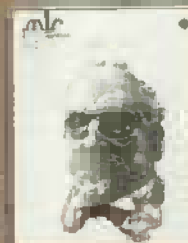
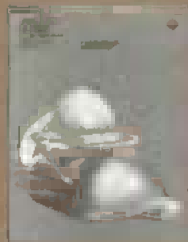




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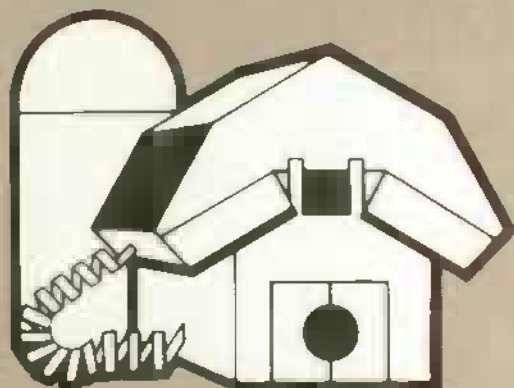
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